

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 105TH CONGRESS, 2ND SESSION: SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1998 AS OF CLOSE OF BUSINESS AUGUST 31, 1998—Continued

[In millions of dollars]

	Budget au- thority	Outlays	Revenues
Appropriation leg- islation .....		241,036	
Offsetting receipts .....	-211,291	-211,291	
Total previously enacted .....	669,168	896,782	1,206,379
Enacted First Session:			
Authorization Acts:			
Balanced Budget Act of 1997 (P.L. 105-33) ..	1,525	477	267
Taxpayer Re- lief Act of 1997 (P.L. 105-34) ..			-9,281
Stamp Out Breast Cancer Act (P.L. 105- 41) .....			( <sup>1</sup> )
Oklahoma City Na- tional Me- morial Act of 1997 (P.L. 105- 58) .....	14	3	14
National De- fense Au- thorization Act for 1998 (P.L. 105-85) ..	-159	-159	
Adoption and Safe Fam- ilies Act of 1997 (P.L. 105-89) ..	-3	-1	
Savings Are Vital to Everyone's Retirement Act of 1997 (P.L. 105-92) ..	1	1	1
Veterans' Benefits Act of 1997 (P.L. 105-114)	3	1	
Food and Drug Mod- ernization Act of 1997 (P.L. 105-115)			( <sup>1</sup> )
50 States Com- memora- tive Coin Program Act of 1997 (P.L. 105-124)	1	1	
Hispanic Cul- tural Cen- ter Act of 1997 (P.L. 105-127)	13	0	
Surface Transpor- tation Ex- tension Act of 1997 (P.L. 103-130)	29,586	65	
Small Busi- ness Re- authoriza- tion Act of 1997 (P.L. 105-135)	0	2	
Acquisition of Real Prop- erty for Li- brary of Congress (P.L. 105- 144) .....	5	3	5
Act Amend- ing Sec. 13031 of COBRA of 1985 (P.L. 105-150)	2	2	

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[In millions of dollars]

	Budget au- thority	Outlays	Revenues
Appropriation Acts:			
1997 Emer- gency Supple- mental Appropriations (P.L. 105-18) ..	-350	-280	
Agriculture, Rural De- velopment (P.L. 105- 86) .....	49,047	41,511	
Commerce, Justice, State (P.L. 105-119)	31,744	21,242	
Defense (P.L. 105-56) ..	247,709	164,702	
District of Columbia (P.L. 105- 100) .....	855	554	
Energy and Water De- velopment (P.L. 105- 62) .....	20,732	13,533	
Foreign Oper- ations (P.L. 105- 118) .....	13,191	5,082	
Interior and Related Agencies (P.L. 105- 83) .....	13,841	9,091	
Labor, HHS, and Educa- tion (P.L. 105- 78) .....	171,761	128,411	
Legislative Branch (P.L. 105- 55) .....	2,251	2,023	
Military Con- struction (P.L. 105- 45) .....	9,183	3,024	
Transporta- tion (P.L. 105- 66) .....	13,064	13,485	
Treasury and General Gov- ernment (P.L. 105-61) ..	17,106	14,168	-4
Veterans, HUD (P.L. 105-65) ..	90,689	52,864	
Total en- acted first session	711,811	469,805	-8,998
Enacted Second Session:			
1998 Emergency Supplemental Appropriations and Rescissions (P.L. 105-174)	-2,039	310	
Transportation Eq- uity Act for the 21st Century (P.L. 105-178) <sup>2</sup>	-923	-440	
Care for Police Survivors Act of 1998 (P.L. 105- 180) .....	1	1	
Agriculture Export Relief Act of 1998 (P.L. 105- 194) .....	7	7	
Internal Revenue Service Restruc- turing and Re- form Act of 1998 (P.L. 105- 206) <sup>3</sup> .....	-15	440	608
Homeowners' Pro- tection Act (P.L. 105-216) .....	2	2	
Credit Union Mem- bership Access Act (P.L. 105- 219) .....			( <sup>1</sup> )

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[In millions of dollars]

	Budget au- thority	Outlays	Revenues
Act to establish the United States Capitol Police Memorial Fund (P.L. 105- 223) .....			( <sup>1</sup> )
Total, enacted second ses- sion .....	-2,967	320	608
Entitlements and Mandatory:			
Budget resolution baseline esti- mates of appro- priated entitle- ments and other mandatory programs not yet enacted .....	8,280	7,461	
Totals:			
Total Current Level	1,386,292	1,374,368	1,197,989
Total Budget Reso- lution .....	1,403,402	1,372,512	1,199,000
Amount remaining: Under Budget Resolution	17,110		1,011
Over Budget Resolution		1,856	
Addendum:			
Emergencies .....	5,691	3,357	-8
Contingent Emer- gencies .....	329	53	
Total .....	6,020	3,410	-8
Total Current Level Includ- ing Emer- gencies .....	1,392,312	1,377,778	1,197,981

<sup>1</sup> The revenue effect of this act begins in fiscal year 1999.

<sup>2</sup> At the request of the Senate Budget Committee, the scoring for this act excludes \$365 million in budget authority and \$165 million in outlays for student loans that were excluded from the PAYGO scorecard pursuant to Sec. 8102 of the Act.

<sup>3</sup> Budget authority and outlays shown reflect extension of the PAYGO scorecard exclusion from the Transportation Equity Act for the 21st Century (P.L. 105-178) to cover sec. 1102 of that Act. Sec. 1102 affects spending for Federal aid to highways.

Notes.—Amounts shown under "emergencies" represent funding for programs that have been deemed emergency requirements by the President and the Congress. Amounts shown under "contingent emergencies" represent funding designated as an emergency only by the Congress that is not available for obligation until it is requested by the President and the full amount requested is designated as an emergency requirement.

Current level estimates include \$390 million in budget authority and \$298 million in outlays for projects that were cancelled by the President pursuant to the Line Item Veto Act, P.L. 104-130.

Source: Congressional Budget Office.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The text of the bill (S. 2334), the Foreign Operations, Export Financing and Related Agencies Appropriations Act, 1999, as passed by the Senate on September 2, 1998, is as follows:

S. 2334

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1999, and for other purposes, namely:

### TITLE I—EXPORT AND INVESTMENT ASSISTANCE

#### EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided

by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

#### SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, \$785,000,000 to remain available until September 30, 2002: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until 2013 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1999, 2000, 2001, and 2002: *Provided further*, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or any agency or national thereof.

#### ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$25,000 for official reception and representation expenses for members of the Board of Directors, \$49,000,000: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1999.

#### OVERSEAS PRIVATE INVESTMENT CORPORATION NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed \$35,000) shall not exceed \$32,000,000 of which not more

than \$16,500,000 may be made available until the Corporation reports to the Committees on Appropriations on measures taken to (1) establish sector specific investment funds; and (2) support regional investment initiatives in Georgia, Armenia and Azerbaijan through the Caucasus Fund: *Provided further*, That the Corporation shall provide a report to the Committees on Appropriations within 45 days of enactment regarding the use of funds it has made or plans to make available consistent with the President's Global Climate Change Initiative: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

#### PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, \$50,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961 to be derived by transfer from the Overseas Private Investment Corporation noncredit account: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1999 and 2000: *Provided further*, That such sums shall remain available through fiscal year 2007 for the disbursement of direct and guaranteed loans obligated in fiscal year 1999, and through fiscal year 2008 for the disbursement of direct and guaranteed loans obligated in fiscal year 2000: *Provided further*, That in addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

#### FUNDS APPROPRIATED TO THE PRESIDENT TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, \$43,000,000, to remain available until September 30, 2000: *Provided*, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 2000, for necessary expenses under this paragraph: *Provided further*, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

#### TITLE II—BILATERAL ECONOMIC ASSISTANCE

#### FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1999, unless otherwise specified herein, as follows:

#### AGENCY FOR INTERNATIONAL DEVELOPMENT DEVELOPMENT ASSISTANCE (INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106, section 301, and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96-533) and

the provisions of section 401 of the Foreign Assistance Act of 1969, \$1,904,000,000, to remain available until September 30, 2000: *Provided*, That of the amount appropriated under this heading, up to \$20,000,000 may be made available for the Inter-American Foundation and shall be apportioned directly to that Agency: *Provided further*, That of the amount appropriated under this heading, up to \$8,000,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: *Provided further*, That of the amount appropriated under this heading, the amount made available for activities to strengthen global surveillance and control of infectious diseases, that is in addition to funds made available for the prevention, treatment, and control of, and research on, HIV/AIDS, shall be at least equal to the amount available in fiscal year 1998 for such purposes under the heading "Child Survival and Disease Programs Fund": *Provided further*, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the funds made available under this heading, not less than \$50,000,000 should be made available for activities addressing the health and nutrition needs of pregnant women and mothers: *Provided further*, That of the funds appropriated under this heading, not less than \$100,000,000 shall be made available for the United Nations Children's Fund: *Provided further*, That not less than \$435,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of section 104(b) of the Foreign Assistance Act of 1961: *Provided further*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading in this Act, and of the unobligated balances of funds previously appropriated under this heading, \$2,500,000 shall be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD): *Provided*

further, That of the aggregate amount of the funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961 and the Support for Eastern European Democracy Act of 1989, \$305,000,000 should be made available for agriculture and rural development programs including international agriculture research programs: *Provided further*, That of the funds appropriated under the previous proviso not less than \$80,000,000 shall be made available for alternative development programs to drug production in Colombia, Peru and Bolivia: *Provided further*, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed \$25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: *Provided further*, That of the funds appropriated under this heading, not less than \$2,000,000 shall be made available for agriculture programs in Laos: *Provided further*, That of the funds appropriated under this heading, not less than \$15,000,000 shall be made available for the American Schools and Hospitals Abroad Program: *Provided further*, That of the funds appropriated under this heading not less than \$500,000 shall be made available for support of the United States Telecommunications Training Institute: *Provided further*, That of the funds appropriated under this heading that are made available for Haiti, \$250,000 shall be made available to support a program to assist Haitian children in orphanages: *Provided further*, That, of the funds appropriated under this heading and made available for activities pursuant to the Microenterprise Initiative, not less than one-half shall be expended on programs providing loans of less than \$300 to very poor people, particularly women, or for institutional support of organizations primarily engaged in making such loans: *Provided further*, That notwithstanding any other provision of law, of the amounts made available under title II of this Act, not less than \$10,000,000 shall be made available only for assistance to the Iraqi democratic opposition for such activities as organization, training, communication and dissemination of information, and developing and implementing agreements among opposition groups: *Provided further*, That any agreement reached regarding the obligation of funds under the previous proviso shall include provisions to ensure appropriate monitoring on the use of such funds: *Provided further*, That of this amount not less than \$3,000,000 shall be made available as a grant to Iraqi National Congress, to be administered by its Executive Committee for the benefit of all constituent groups of the Iraqi National Congress: *Provided further*, That of the amounts previously appropriated under section 10008 of Public Law 105-174 not less than \$2,000,000 shall be made available as a grant to INDICT, the International Campaign to Indict Iraqi War Criminals, for the purpose of compiling information to support the indictment of Iraqi officials for war crimes: *Provided further*, That of the amounts made available under this section, not less than \$1,000,000 shall be made available as a grant to INDICT, the International Campaign to Indict Iraqi War Criminals, for the purpose of compiling information to support the indictment of Iraqi officials for war crimes: *Provided further*, That of the amounts made available under this section, not less than \$3,000,000 shall be made available only for the conduct of activities by the Iraqi democratic opposition inside Iraq: *Provided further*, That within 30 days of enactment of this Act the Secretary of State shall submit a detailed report to the appropriate committees of Congress on implementation of this heading.

## CYPRUS

Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than \$15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicomunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

## BURMA

Of the funds appropriated under the heading "Development Assistance", not less than \$10,000,000 shall be made available to support democracy activities in Burma, democracy and humanitarian activities along the Burma-Thailand border, and for Burmese student groups and other organizations located outside Burma: *Provided*, That of the funds made available under this heading, not less than \$500,000 shall be made available for newspapers, media, and publications promoting democracy in and related to Burma: *Provided further*, That of the funds made available under this heading, \$5,000,000 shall be made available to support the provision of medical supplies and services, education and humanitarian assistance to displaced Burmese along the Burma borders: *Provided further*, That of the funds made available for democracy activities under this heading, not less than \$2,000,000 shall be made available subject to written consultation and guidelines provided by the leadership of the Burmese government elected in 1990: *Provided further*, That funds made available for Burma-related activities under this heading may be made available notwithstanding any other provision of law: *Provided further*, That the provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.

## CAMBODIA

None of the funds appropriated by this Act may be made available for activities or programs for Cambodia until the Secretary of State determines and reports to the Committees on Appropriations that: (1) Cambodia has held free and fair elections; (2) during the twelve months prior to the elections, no candidate of any opposition party was murdered; (3) all political candidates were permitted freedom of speech, assembly and equal access to the media; (4) voter registration and participation rates did not exceed the eligible population in any region; (5) refugees and overseas Cambodians were permitted to vote; (6) the Central Election Commission was comprised of representatives from all parties; and (7) international monitors were accorded appropriate access to polling sites: *Provided*, That the restriction on funds made available under this paragraph shall not apply to demining or humanitarian programs or activities administered by nongovernmental organizations.

## INDONESIA

Of the funds appropriated under the headings "Economic Support Fund" and "Development Assistance", not less than \$100,000,000 shall be made available for assistance for Indonesia: *Provided*, That not less than 50 percent of such funds shall be made available to address nationwide food, medical, fuel, and other shortages: *Provided further*, That not less than 80 percent of the assistance made available for Indonesia under this heading shall be made available, administered or distributed through indigenous non-governmental or private voluntary organizations: *Provided further*, That not less than \$6,000,000 shall be made available to support the development of political institu-

tions and parties: *Provided further*, That not less than \$8,000,000 of the funds made available under this heading shall be made available to improve transparency and regulation of banking, financial, insurance, and securities institutions: *Provided further*, That not less than \$8,000,000 of the funds made available under this heading shall be made available to support legal and judicial reforms: *Provided further*, That thirty days after enactment of this Act, the Administrator of the Agency for International Development shall provide the Committees on Appropriations with a nationwide assessment of economic, legal, political and humanitarian consequences and needs resulting from the economic collapse in Indonesia.

## MITCH MC CONNELL CONSERVATION FUND

Of the funds made available under the headings "Economic Support Fund" and "Development Assistance", not less than \$1,200,000 shall be made available for research, conservation, training and related activities for the Province of the Galapagos Islands, Ecuador, of which not less than \$500,000 shall be made available for activities conducted by the Charles Darwin Research Station: *Provided*, That of the funds made available under this heading, \$200,000 shall be made available to support training and conservation activities conducted by the Galapagos National Park Service: *Provided further*, That of the funds made available under this heading, not less than \$500,000 shall be made available as a contribution to an endowment for the Charles Darwin Research Station and Foundation: *Provided further*, That additional funds for this endowment may be made available to match private sector donations.

## INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$200,000,000, to remain available until expended: *Provided*, That, of the funds appropriated under this heading, not less than \$500,000 shall be available only to Catholic Relief Services solely for the purpose of the purchase, transport, or installation of a hydraulic drilling machine to provide potable drinking water in the region of the Nuba Mountains in Sudan.

## TREASURY INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out Department of the Treasury international affairs technical assistance activities, \$3,000,000, to remain available until expended, which shall be available, notwithstanding any other provision of law, for economic technical assistance and for related programs.

## DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agriculture Trade and Assistance Act of 1954 as amended; and of modifying any obligation, or portion of such obligation of Honduras to pay for purchases of United States agricultural commodities

guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501); \$25,000,000, to remain available until expended.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, \$1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That section 108(i)(2)(C) of the Foreign Assistance Act of 1961 is amended to read as follows: "(C) No guarantee of any loan may guarantee more than 50 percent of the principal amount of any such loan, except guarantees of loans in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loan." In addition, for administrative expenses to carry out programs under this heading, \$500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That funds made available under this heading shall remain available until September 30, 2000.

URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, \$3,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize loan principal, 100 per centum of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, \$4,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That the second and third sentences of section 222(a) of the Foreign Assistance Act of 1961, and the third and fourth sentences of section 223(j) of such Act are repealed.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the Administrator of the Agency for International Development may, on a case-by-case basis, waive the restriction contained in this paragraph, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency: *Provided further*, That section 123(g) of the Foreign Assistance Act of 1961 and the paragraph entitled "Private and Voluntary Organizations" in title II of the Foreign Assistance and Related Programs Appropriations Act, 1985 (as enacted in Public Law 98-473) are hereby repealed.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equiv-

alent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, \$44,552,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, \$475,000,000, to remain available until September 30, 2000: *Provided*, That none of the funds appropriated by this Act for programs administered by the Agency for International Development may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of \$25,000 without the approval of the Administrator of the Agency or the Administrator's designee.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, \$30,000,000, to remain available until September 30, 2000, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, \$2,305,600,000, to remain available until September 30, 2000: *Provided*, That of the funds appropriated under this heading, not less than \$1,080,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1998, whichever is later: *Provided further*, That not less than \$775,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years and, of which not less than \$200,000,000 shall be provided as Commodity Import Program assistance: *Provided further*, That of the funds appropriated under this heading for Egypt not less than \$40,000,000 shall be made available to establish an Enterprise Fund for Egypt, notwithstanding any other provision of law: *Provided further*, That the provisions of subsection (b) under the heading "Assistance for Eastern Europe and the Baltic States" shall be applicable to funds made available for an Enterprise Fund for Egypt: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of non-military exports from the United States to such country: *Provided further*, That of the funds appropriated under this heading, not less than \$150,000,000 shall be made available for assistance for Jordan: *Provided further*, That notwithstanding any other provision of law, not to exceed \$10,000,000 may be used to support victims of and programs related to the Holocaust.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of

1961 and the Support for East European Democracy (SEED) Act of 1989, \$432,500,000, to remain available until September 30, 2000, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Eastern Europe and the Baltic States: *Provided*, That of the funds made available under this heading and the headings "International Narcotics and Law Enforcement", "Development Assistance", and "Economic Support Fund", not to exceed \$200,000,000 shall be made available for Bosnia and Herzegovina.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) With regard to funds appropriated or otherwise made available under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program)—

(1) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee; and

(2) the provisions of section 533 of this Act shall apply.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the New Independent States of the former Soviet Union and for related programs, \$740,000,000, to remain available until September 30, 2000: *Provided*, That the provisions of such chapter shall apply to funds appropriated by this paragraph: *Provided further*, That such sums as may be necessary may be transferred to the Export-Import Bank of the United States for the cost of any financing under the Export-Import Bank Act of 1945 for activities for the New Independent States.

(b) Of the funds appropriated under this heading, not less than \$210,000,000 shall be made available for assistance for Ukraine: *Provided*, That 50 percent of the amount made available in this subsection, exclusive of funds made available for nuclear safety, Free Market Democracy Fund activities and law enforcement reforms, shall be withheld from obligation and expenditure until the Secretary of State reports to the Committees on Appropriations that Ukraine has undertaken significant economic reforms additional to those achieved in fiscal year 1998, and include: (1) reform and effective enforcement of commercial and tax codes; and (2) continued progress on resolution of complaints by U.S. investors: *Provided further*,

That the report in the previous proviso shall be provided 120 days after the date of enactment of this Act: *Provided further*, That if the Secretary cannot certify that progress has been achieved, the funds withheld shall be returned to the United States Treasury: *Provided further*, That of the funds made available for Ukraine under this subsection, not less than \$22,000,000 shall be made available only for assistance for comprehensive legal restructuring necessary to support a decentralized market-oriented economic system, and the implementation of reforms necessary to establish an independent judiciary including the education of judges, attorneys, and law students: *Provided further*, That of the funds made available for Ukraine under this subsection, not less than \$8,000,000 shall be made available to support law enforcement institutions and training: *Provided further*, That not less than \$25,000,000 of such funds shall be made available for nuclear reactor safety programs, of which not less than \$1,000,000 shall be made available for personnel security initiatives at all nuclear reactor installations: *Provided further*, That of such funds, not less than \$700,000 shall be made available to establish and support a Free Market Democracy Fund to be administered by the United States Ambassador to Ukraine in consultation with the Coordinator for the New Independent States of the former Soviet Union.

(c) Of the funds appropriated under this heading, not less than \$95,000,000 shall be made available for assistance for Georgia, of which not less than \$35,000,000 shall be made available to support economic reforms including small business development and the development of banking, insurance and securities institutions: *Provided*, That of the funds made available under this subsection, not less than \$8,000,000 shall be made available for judicial reform and law enforcement training: *Provided further*, That of the funds made available under this subsection, not less than \$20,000,000 shall be made available to support training and infrastructure for secure communications and surveillance systems for border and customs control.

(d) Of the funds appropriated under this heading, not less than \$90,000,000 shall be made available for assistance for Armenia, of which not less than \$10,000,000 shall be made available for an endowment for the American University of Armenia: *Provided*, That of the funds made available under this subsection, not less than \$4,000,000 shall be made available for nuclear safety activities.

(e) Funds made available under this Act or any other Act may not be provided for assistance to the Government of Azerbaijan until the President determines, and so reports to the Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno-Karabakh: *Provided*, That the restriction of this subsection and section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of the "National Defense Authorization Act for Fiscal Year 1997";

(2) any insurance, reinsurance, guarantee, or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(3) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(4) any financing provided under the Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.);

(5) any activity carried out by a member of the Foreign Commercial Service while acting within his or her official capacity; or

(6) humanitarian assistance.

(f) Of the funds made available under this heading for nuclear safety activities, not to exceed 9 percent of the funds provided for any single project may be used to pay for management costs incurred by a United States national lab in administering said project.

(g) Of the funds appropriated under title II of this Act, including funds appropriated under this heading, not less than \$10,000,000 shall be made available for assistance for Mongolia: *Provided*, That funds made available for assistance for Mongolia may be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.

(h) None of the funds appropriated under this heading may be made available for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability.

#### INDEPENDENT AGENCY

##### PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$221,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2000.

#### DEPARTMENT OF STATE

##### INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, \$222,000,000: *Provided*, That of this amount not less than \$9,000,000 shall be made available for Law Enforcement Training and Demand Reduction: *Provided further*, That in addition to any funds previously made available for the International Law Enforcement Academy for the Western Hemisphere, not less than \$5,000,000 shall be made available to establish and operate the International Law Enforcement Academy for the Western Hemisphere at the deBremont Training Center in Roswell, New Mexico.

##### MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, \$650,000,000: *Provided*, That not more than \$12,000,000 shall be available for administrative expenses: *Provided further*, That not less than \$70,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

##### UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), \$20,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.

##### NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, \$170,000,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, clearance of unexploded ordnance, and related activities notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO): *Provided*, That of this amount not to exceed \$15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: *Provided further*, That such funds may also be used for countries other than the New Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the funds appropriated under this heading not to exceed \$35,000,000 may be made available for demining, clearance of unexploded ordnance, and related activities: *Provided further*, That of the funds made available for demining and related activities, not to exceed \$500,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program: *Provided further*, That of the funds appropriated under this heading up to \$40,000,000 may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That notwithstanding any other provision of law, not to exceed \$35,000,000 may be made available to the Korean Peninsula Energy Development Organization only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework: *Provided further*, That such funds may be obligated to KEDO only if, thirty days prior to such obligation of funds, the President certifies and so reports to Congress that: (1)(A) the parties to the Agreed Framework are taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with all provisions of the Agreed Framework between North Korea and

the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors; (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which it was not intended; (4) North Korea is not actively pursuing the acquisition or development of a nuclear capability (other than the light-water reactors provided for by the 1994 Agreed Framework Between the United States and North Korea); and (5) North Korea is not providing ballistic missiles or ballistic missile technology to a country the government of which the Secretary of State has determined is a terrorist government for the purposes of section 40(d) of the Arms Export Control Act or any other comparable provision of law: *Provided further*, That the President may waive the certification requirements of the preceding proviso if the President determines that it is vital to the national security interests of the United States: *Provided further*, That no funds may be obligated for KEDO until 30 days after submission to Congress of the waiver permitted under the preceding proviso: *Provided further*, That the obligation of any funds for KEDO shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That the Secretary of State shall submit to the appropriate congressional committees an annual report (to be submitted with the annual presentation for appropriations) providing a full and detailed accounting of the fiscal year request for the United States contribution to KEDO, the expected operating budget of the Korean Peninsula Energy Development Organization, to include unpaid debt, proposed annual costs associated with heavy fuel oil purchases, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities: *Provided further*, That the Director of Central Intelligence will provide for review and consideration by the House Permanent Select Committee on Intelligence, House International Relations Committee, House National Security Committee, Senate Appropriations Committee, Senate Select Committee on Intelligence, Senate Foreign Relations Committee and Senate Armed Services Committee all relevant intelligence bearing on North Korea's compliance with the provisions of this proviso. Such provision will occur not less than 45 days prior to the President's certification as provided for under this heading: *Provided further*, That for the purposes of this heading, the term intelligence includes National Intelligence Estimates, Intelligence Memoranda, Findings and other intelligence reports based on multiple sources or including the assessment of more than one member of the Intelligence Community.

### TITLE III—MILITARY ASSISTANCE

#### FUNDS APPROPRIATED TO THE PRESIDENT INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$50,000,000: *Provided*, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Guatemala may only be available for expanded international military education and training.

#### FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$3,322,910,000: *Provided*, That of the funds appropriated under this heading, not less than \$1,860,000,000 shall be available for grants only for Israel, and not less than \$1,300,000,000 shall be made available for grants only for Egypt: *Provided further*, That the funds appropriated by this paragraph for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1998, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than 26.5 percent shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That of the funds appropriated by this paragraph, not less than \$48,000,000 shall be available for assistance for Jordan: *Provided further*, That of the funds appropriated by this paragraph, a total of \$15,300,000 shall be available for assistance for Estonia, Latvia, and Lithuania: *Provided further*, That of the funds appropriated by this paragraph, not less than \$7,000,000 shall be made available for assistance for Tunisia: *Provided further*, That during fiscal year 1999, the President is authorized to, and shall, direct the draw-downs of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of an aggregate value of not less than \$5,000,000 under the authority of this proviso for Tunisia for the purposes of part II of the Foreign Assistance Act of 1961: *Provided further*, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): *Provided further*, That \$30,000,000 of the funds appropriated or otherwise made available under this heading shall be made available for the purpose of facilitating the integration of Poland, Hungary, and the Czech Republic into the North Atlantic Treaty Organization.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, \$20,000,000: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed \$167,000,000.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That none of the funds appropriated under this heading shall be available for Sudan and Liberia: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activi-

ties, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That none of the funds under this heading shall be available for Guatemala: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That not more than \$29,910,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than \$340,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1999 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

#### PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$75,000,000: *Provided*, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds made available under this heading for the Multilateral Force and Observers (MFO) may be made available until the Secretary of State certifies to the Committees on Appropriations that the Director General employed prior to 1998 has not been retained in any capacity by the MFO.

### TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

#### FUNDS APPROPRIATED TO THE PRESIDENT INTERNATIONAL FINANCIAL INSTITUTIONS THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, \$800,000,000, to remain available until expended: *Provided*, That none of the funds may be obligated or made available until the Secretary of the Treasury certifies that the Comptroller General has been provided full and regular access to: (1) the financial and related records of IDA for the purposes of conducting audits of current loans and financial assistance provided by the institution; and (2) management personnel manuals, procedures, and policy guidelines: *Provided further*, That following the review conducted in the previous proviso, the Comptroller General shall report to the Committees on Appropriations on the results of the

audit and recommendations to improve institutional personnel procedures, especially regarding the protection of individuals alleging mismanagement, fraud, or abuses: *Provided further*, That the obligation of funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

#### CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, \$25,610,667.

#### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$1,503,718,910.

#### CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, \$13,221,596, to remain available until expended.

#### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$647,858,204.

#### CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$35,778,717, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

#### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$123,237,803.

#### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, \$170,000,000: *Provided*, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further*, That not less than \$5,000,000 shall be made available to the World Food Program: *Provided further*, That none of the funds made available under this heading, may be provided to the Climate Stabilization Fund until fifteen days after the Department of State provides a report to the Committees on Foreign Relations and Appropriations detailing the number of Fund employees and associated salaries and the fiscal year 1998 and 1999 Fund activities, programs or projects and associated costs: *Provided further*, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA).

#### TITLE V—GENERAL PROVISIONS OBLIGATIONS OF FUNDS

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

#### PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. Notwithstanding section 614 of the Foreign Assistance Act of 1961, none of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

#### LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed \$126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

#### LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed \$5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

#### LIMITATION ON REPRESENTATION ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed \$95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed \$2,000 shall be available for entertainment expenses and not to exceed \$50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed \$2,000 shall be available for representation and entertainment allowances.

#### PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "Non-proliferation, Antiterrorism, Demining and Related Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

#### PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to

Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

#### MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

#### TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

#### DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1999, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: *Provided*, That the authority of this subsection may not be used in fiscal year 1999.

#### AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8, and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic



policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

#### LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

#### COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

#### SURPLUS COMMODITIES

SEC. 514. (a) The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American De-

velopment Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

(b) The Secretary of the Treasury shall instruct the United States executive directors of international financial institutions listed in subsection (a) of this section to use the voice and vote of the United States to support the purchase of American produced agricultural commodities with funds appropriated or made available pursuant to this Act.

#### NOTIFICATION REQUIREMENTS

SEC. 515. For the purpose of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Development Assistance", "Debt restructuring", "International organizations and programs", "Trade and Development Agency", "International narcotics control and law enforcement", "Assistance for Eastern Europe and the Baltic States", "Assistance for the New Independent States of the Former Soviet Union", "Economic Support Fund", "Peace-keeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Nonproliferation, anti-terrorism, demining and related programs", "Foreign Military Financing Program", "International military education and training", the Inter-American Foundation, the African Development Foundation, "Peace Corps", "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after tak-

ing the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

#### LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2000: *Provided*, That section 307(a) of the Foreign Assistance Act of 1961, is amended by inserting before the period at the end thereof ", or at the discretion of the President, Communist countries listed in section 620(f) of this Act".

#### ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

#### PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided*, That none of



the funds made available under this Act may be used to lobby for or against abortion.

#### FUNDING FOR FAMILY PLANNING

SEC. 519. In determining eligibility for assistance from funds appropriated to carry out section 104 of the Foreign Assistance Act of 1961, non-governmental and multilateral organizations shall not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance.

#### NORTH KOREAN NARCOTICS REPORT

SEC. 520. REPORTING REQUIREMENTS REGARDING NORTH KOREAN NARCOTICS ACTIVITY. (a) IN GENERAL.—Not later than 3 months after the date of enactment of this Act, the President shall transmit to the appropriate committees a report on the cultivation, production, and transshipment of opium by North Korea. The report shall be based on all available information.

(b) ANNUAL REPORTING REQUIREMENT.—Notwithstanding any other provision of law, beginning on March 1, 1999, the President shall include in the annual International Narcotics Control Strategy Report required by section 489 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291h) information regarding the cultivation, production, and transshipment of opium by North Korea.

#### SPECIAL NOTIFICATION REQUIREMENTS

SEC. 521. None of the funds appropriated in this Act shall be obligated or expended for Colombia, India, Haiti, Liberia, Pakistan, Serbia, Sudan, or the Democratic Republic of Congo except as provided through the regular notification procedures of the Committee on Appropriations.

#### DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 522. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

#### CHILD SURVIVAL, AIDS, AND OTHER ACTIVITIES

SEC. 523. Up to \$10,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, basic education and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival, and basic education activities, and activities relating to research on, and the prevention, treatment and control of acquired immune deficiency syndrome or other diseases in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on,

and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

#### PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 524. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

#### RECIPROCAL LEASING

SEC. 525. Section 61(a) of the Arms Export Control Act is amended by striking out "1998" and inserting in lieu thereof "the current fiscal year".

#### NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 526. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

#### AUTHORIZATION REQUIREMENT

SEC. 527. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

#### PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 528. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

#### COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 529. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procure-

ment by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

#### COMPETITIVE INSURANCE

SEC. 530. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

#### STINGERS IN THE PERSIAN GULF REGION

SEC. 531. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

#### DEBT-FOR-DEVELOPMENT

SEC. 532. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

#### SEPARATE ACCOUNTS

SEC. 533. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing, or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall

take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) **TERMINATION OF ASSISTANCE PROGRAMS.**—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) **CONFORMING AMENDMENTS.**—The tenth and eleventh provisos contained under the heading “Sub-Saharan Africa, Development Assistance” as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961 are repealed.

(6) **REPORTING REQUIREMENT.**—The Administrator of the Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) **SEPARATE ACCOUNTS FOR CASH TRANSFERS.**—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) **APPLICABILITY OF OTHER PROVISIONS OF LAW.**—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) **NOTIFICATION.**—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) **EXEMPTION.**—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

#### COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 534. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States

Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, “international financial institutions” are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

#### COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 535. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

#### COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 536. Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under contracts under section 22(d) of the Arms Export Control Act. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

#### AUTHORITIES FOR THE PEACE CORPS, INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 537. (a) Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

(b) Unless expressly provided to the contrary, limitations on the availability of funds for “International Organizations and Programs” in this or any other Act, including prior appropriations Acts, shall not be construed to be applicable to the International Fund for Agricultural Development.

#### IMPACT ON JOBS IN THE UNITED STATES

SEC. 538. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States

because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

#### SANCTIONS RELATING TO KOSOVA

SEC. 539. (a) **RESTRICTIONS.**—Notwithstanding any other provision of law, no sanction, prohibition, or requirement with respect to Serbia or Montenegro, may cease to be effective, unless the President first submits to the Congress a certification described in subsection (b).

(b) **CERTIFICATION.**—A certification described in this subsection is a certification that—

(1) there is substantial progress toward—

(A) the realization of a separate identity for Kosova and the right of the people of Kosova to govern themselves; or

(B) the creation of an international protectorate for Kosova;

(2) there is substantial improvement in the human rights situation in Kosova; and

(3) international human rights observers are allowed to return to Kosova; and

(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova; and

(5) the requirements of the Contact Group demarche to the Government of Kosova of June 1998 have been met.

(c) **WAIVER AUTHORITY.**—The President may waive the application in whole or in part, of subsection (a) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Kosova that is acceptable to the parties.

#### SPECIAL AUTHORITIES

SEC. 540. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Kosova, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical

forestry and biodiversity conservation activities and, subject to the regular notification procedures of the Committees on Appropriations, energy programs aimed at reducing greenhouse gas emissions: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE  
BOYCOTT OF ISRAEL

SEC. 541. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 542. (a) Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

(b) Section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961 are repealed.

ELIGIBILITY FOR ASSISTANCE

SEC. 543. (a) ASSISTANCE THROUGH NON-GOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, and 11 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States": *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations,

the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 1999, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

EARMARKS

SEC. 544. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 545. Ceilings and earmarks contained in this Act shall not be applicable to funds or

authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 546. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 547. (a) To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

(b) It is the sense of the Congress that, to the greatest extent practicable, all agriculture commodities, equipment and products purchased with funds made available in this Act should be American-made.

(c) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (b) by the Congress.

(d) The Secretary of the Treasury shall report to Congress annually on the efforts of the heads of each Federal agency and the United States directors of international financial institutions (as referenced in section 514) in complying with this sense of Congress.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 548. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

CONSULTING SERVICES

SEC. 549. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 550. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 551. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that

furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

#### WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 552. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 per centum of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term “appropriate congressional committees” means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

#### LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 553. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104-107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

#### WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 554. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to \$30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That sixty days after the date of enactment of this Act, and every one hundred eighty days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the

former Yugoslavia: *Provided further*, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: *Provided further*, That funds made available for the tribunal shall be made available subject to the regular notification procedures of the Committees on Appropriations.

#### LANDMINES

SEC. 555. (a) STATEMENT OF POLICY.—It is the policy of the United States Government to sign the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction as soon as practicable. This subsection shall not apply unless the Joint Chiefs of Staff and the unified combatant commanders certify in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the signing of the Convention is consistent with the combat requirements and safety of the Armed Forces of the United States.

(b) DEMINING EQUIPMENT.—Notwithstanding any other provision of law, demining equipment available to the Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

#### RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 556. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

#### PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 557. None of the funds appropriated or otherwise made available by this Act under the heading “International Military Education and Training” or “Foreign Military Financing Program” for Informational Program activities may be obligated or expended to pay for—

- (1) alcoholic beverages;
- (2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or
- (3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

#### SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 558. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

- (1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;
- (2) credits extended or guarantees issued under the Arms Export Control Act; or
- (3) any obligation or portion of such obligation for a Latin American country, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501).

#### (b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief ad referendum agreements, commonly referred to as “Paris Club Agreed Minutes”.

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as “IDA-only” countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

- (1) does not have an excessive level of military expenditures;
- (2) has not repeatedly provided support for acts of international terrorism;
- (3) is not failing to cooperate on international narcotics control matters;
- (4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and
- (5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading “Debt restructuring”.

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

#### AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 559. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 per centum of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) **TERMS AND CONDITIONS.**—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) **ADMINISTRATION.**—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) **LIMITATION.**—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) **DEPOSIT OF PROCEEDS.**—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) **ELIGIBLE PURCHASERS.**—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) **DEBTOR CONSULTATIONS.**—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) **AVAILABILITY OF FUNDS.**—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt restructuring".

#### LIMITATION ON ASSISTANCE FOR HAITI

SEC. 560. (a) **LIMITATION.**—None of the funds appropriated by this Act may be provided for assistance for the central Government of Haiti until the President reports to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives, that the central Government of Haiti—

(1) has completed privatization of (or placed under long-term private management or concession) three major public entities including the completion of all required incorporating documents, the transfer of assets, and the eviction of unauthorized occupants of the land or facility;

(2) has re-signed or is implementing the bilateral Repatriation Agreement with the

United States and in the preceding six months that the central Government of Haiti is cooperating with the United States in halting illegal emigration from Haiti;

(3) is conducting thorough investigations of extrajudicial and political killings and has made substantial progress in bringing to justice a person or persons responsible for one or more extrajudicial or political killings in Haiti;

(4) is cooperating with United States authorities and with U.S.-funded technical advisors supporting the Haitian National Police in the investigations of political and extrajudicial killings;

(5) has taken action to remove from the Haitian National Police, national palace and residential guard, ministerial guard, and any other public security entity or unit of Haiti those individuals who are credibly alleged to have engaged in or conspired to conceal gross violations of internationally recognized human rights or credibly alleged to have engaged in or conspired to engage in narcotics trafficking; and

(6) has ratified or is implementing in the Haitian National Assembly the counter-narcotics agreements signed in October 1997.

(b) **EXCEPTION.**—The limitation in subsection (a) shall not apply to the provision of counter-narcotics assistance, support for the Haitian National Police's Special Investigations Unit, the International Criminal Investigative Assistance Program (ICITAP), anti-corruption programs for the Haitian National Police, customs assistance, humanitarian assistance, and education programs.

(c) **AVAILABILITY OF ELECTORAL ASSISTANCE.**—Funds appropriated by this Act may be available to the central Government of Haiti to support elections in Haiti when the President reports to the Congress that the central Government of Haiti—

(1) has achieved a transparent settlement of the contested April 1997 elections; and

(2) has made concrete progress on the constitution of a credible and competent provisional election council that is acceptable to a broad spectrum of political parties and civic groups.

(d) **SUPPORT FOR POLITICAL PARTIES AND GRASS ROOTS CIVIC ORGANIZATIONS.**—Notwithstanding the limitations set forth in subsections (a) or (c) of this section, or any other provision of law, of funds otherwise allocated for Haiti not to exceed \$3,000,000 may be made available for the development and support of political parties and for the development of grass roots civic organizations in Haiti.

(e) **AVAILABILITY OF ADMINISTRATION OF JUSTICE ASSISTANCE.**—(1) Funds appropriated under this Act for the Ministry of Justice shall only be provided if the President certifies to the Committee on Appropriations and the Committee on International Relations of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate that Haiti's Ministry of Justice—

(A) has demonstrated a commitment to the professionalization of judicial personnel by consistently placing students graduated by the Judicial School in appropriate judicial positions and has made a commitment to share program costs associated with the Judicial School;

(B) is making progress in making the judicial branch in Haiti independent from the executive branch, as outlined in the 1987 Constitution; and

(C) has re-instituted judicial training with the Office of Prosecutorial Development and Training (OPDAT).

(2) The limitation in subsection (e)(1) shall not apply to the provision of funds to support the training of prosecutors, judicial mentoring, and case management.

(f) **REPORTING.**—The Secretary of State shall provide to the Committee on Appropriations and the Committee on International Relations of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations and of the Senate on a biannual basis—

(1) in consultation with the Secretary of Defense and the Administrator of the Drug Enforcement Administration, a report showing the status and number of U.S. personnel deployed in and around Haiti in Department of Defense, Drug Enforcement Administration, or United Nations missions, including breakdowns by functional or operational assignment for these personnel, and the cost to the United States of these operations; and

(2) an activity report of the OAS/U.N. International Civilian Mission to Haiti (MICIVH).

#### REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

SEC. 561. (a) **FOREIGN AID REPORTING REQUIREMENT.**—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in fiscal year 1998.

(b) **UNITED STATES ASSISTANCE.**—For purposes of this section, the term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

#### BURMA LABOR REPORT

SEC. 562. Not later than ninety days after enactment of this Act, the Secretary of Labor shall provide to the Committees on Appropriations a report addressing labor practices in Burma: *Provided*, That the report shall provide comprehensive details on child labor practices, worker's rights, forced relocation of laborers, forced labor performed to support the tourism industry, and forced labor performed in conjunction with, and in support of, the Yadonna gas pipeline: *Provided further*, That the report should address whether the government is in compliance with international labor standards: *Provided further*, That the report should provide details regarding the United States government's efforts to address and correct practices of forced labor in Burma.

#### HAITI

SEC. 563. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard: *Provided*, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

#### LIMITATION ON ASSISTANCE TO SECURITY FORCES

SEC. 564. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible information to believe such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: *Provided*, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of

human rights: *Provided further*, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

#### CAMBODIA

SEC. 565. The Secretary of the Treasury shall instruct the United States Executive Directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Government of Cambodia, except loans to support basic human needs, unless: (1) Cambodia has held free and fair elections; (2) during the twelve months prior to the elections, no candidate of any opposition party was murdered; (3) all political candidates were permitted freedom of speech, assembly and equal access to the media; (4) voter registration and participation rates did not exceed the eligible population in any region; (5) refugees and overseas Cambodians were permitted to vote; (6) the Central Election Commission was comprised of representatives from all parties; and (7) international monitors were accorded appropriate access to polling sites.

#### LIMITATIONS ON TRANSFER OF MILITARY EQUIPMENT TO EAST TIMOR

SEC. 566. In any agreement for the sale, transfer, or licensing of any lethal equipment or helicopter for Indonesia entered into by the United States pursuant to the authority of this Act or any other Act, the agreement shall state that such items will not be used in East Timor.

#### RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 567. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section the term "United States person" refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

#### RESTRICTIONS ON ASSISTANCE TO COUNTRIES PROVIDING SANCTUARY TO INDICTED WAR CRIMINALS

SEC. 568. (a) BILATERAL ASSISTANCE.—None of the funds made available by this or any prior Act making appropriations for foreign operations, export financing and related programs may be provided for any country, entity, or canton described in subsection (e).

(b) MULTILATERAL ASSISTANCE.—

(1) PROHIBITION.—The Secretary of the Treasury shall instruct the United States executive directors of the international finan-

cial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to any country or entity described in subsection (e).

(2) NOTIFICATION.—Not less than 15 days before any vote in an international financial institution regarding the extension of financial or technical assistance or grants to any country or entity described in subsection (e), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Banking and Financial Services of the House of Representatives a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries, including the names of individuals with a controlling or substantial financial interest in the project.

(3) DEFINITION.—The term "international financial institution" includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(c) EXCEPTIONS.—

(1) IN GENERAL.—Subject to subsection (d), subsections (a) and (b) shall not apply to the provisions of—

(A) humanitarian assistance;

(B) democratization assistance;

(C) assistance for cross border physical infrastructure projects involving activities in both a sanctioned country, entity, or canton and a nonsanctioned contiguous country, entity, or canton, if the project is primarily located in and primarily benefits the nonsanctioned country, entity, or canton and if the portion of the project located in the sanctioned country, entity, or canton is necessary only to complete the project;

(D) small-scale assistance projects or activities requested by United States Armed Forces that promote good relations between such forces and the officials and citizens of the areas in the United States SFOR sector of Bosnia;

(E) implementation of the Brcko Arbitral Decision;

(F) lending by the international financial institutions to a country or entity to support common monetary and fiscal policies at the national level as contemplated by the Dayton Agreement;

(G) direct lending to a nonsanctioned entity, or lending passed on by the national government to a nonsanctioned entity; or

(H) assistance to the International Police Task Force for the training of a civilian police force.

(2) NOTIFICATION.—Not less than 15 days after any assistance described in subsection (a) is disbursed to any country, entity, or canton described in subsection (e), the Secretary of State, in consultation with the Administrator of the Agency for International Development, shall publish in the Federal Register a justification for the proposed assistance, including a description of the location of the proposed assistance project by municipality, its purpose, and the intended recipient of the assistance, including the names of individuals, companies and their boards of directors, and shareholders with controlling or substantial financial interest in the companies.

(d) FURTHER LIMITATIONS.—

(1) PROHIBITION ON ASSISTANCE WHERE INDICTED WAR CRIMINALS HAVE INTERESTS.—Notwithstanding subsection (c) or subsection (f), no assistance may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs, in any country, entity, or canton described in subsection (e), for a program, project, or activity in which an indicted war criminal is known to have any financial or material interest.

(2) PROHIBITION ON ASSISTANCE WHERE RESPONSIBLE AUTHORITIES FAIL TO ACT.—Notwithstanding subsection (c) or subsection (f)(1), no assistance (other than emergency foods, medical assistance, demining assistance, or democratization assistance) may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs for any program, project, or activity in a community within any country, entity, or canton described in subsection (e) if authorities within that community are failing to arrest and transfer or arrange for the surrender and transfer to the Tribunal of all persons within their community who have been publicly indicted by the Tribunal.

(e) SANCTIONED COUNTRY, ENTITY, OR CANTON.—A sanctioned country, entity, or canton described in this section is one whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to apprehend and transfer to the Tribunal all persons who have been publicly indicted by the Tribunal.

(f) WAIVER.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary of State may waive the application of subsection (a) with respect to specified bilateral programs or projects, or subsection (b) with respect to specified international financial institution programs or projects, in a sanctioned country, entity, or canton upon providing a written determination to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives that such assistance directly supports the implementation of the Dayton Agreement and its Annexes, which include the obligation to apprehend and transfer indicted war criminals to the Tribunal; and

(2) LIMITED WAIVER WITH RESPECT TO BRCKO.—The Secretary of State may only waive the application of subsection (a), subsection (b), or subsection (d)(2) with respect to any project of assistance for Brcko—

(A) upon the transmittal of a written determination described in paragraph (1); and

(B) until the international arbitration panel determines the status of Brcko.

(3) LIMITED WAIVER WITH RESPECT TO BANJA LUKA.—The Secretary of State may only waive the application of subsection (a), subsection (b), or subsection (d)(2) with respect to any project of assistance for Banja Luka—

(A) upon the transmittal of a written determination described in paragraph (1); and

(B) until a date which is 30 days after the date of parliamentary elections in the Bosnian-Serb entity which are currently scheduled for September 1998.

(g) REPORT.—Not later than 15 days after the date of any written determination under paragraphs (f)(1), (2) or (3), the Secretary of State shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives regarding the status of efforts to secure the voluntary surrender or apprehension and transfer of persons indicted by the Tribunal, in accordance with

the Dayton Agreement, and outlining obstacles to achieving this goal.

(h) **TERMINATION OF SANCTIONS.**—The sanctions imposed pursuant to subsections (a), (b), and (d)(2) with respect to a country, entity, or canton shall cease to apply only if the Secretary of State determines and certifies to Congress that the authorities of that country, entity, or canton have apprehended and transferred to the Tribunal all persons who have been publicly indicted by the Tribunal.

(i) **DEFINITIONS.**—As used in this section—

(1) **COUNTRY.**—The term “country” means Bosnia-Herzegovina, Croatia, and Serbia-Montenegro (Federal Republic of Yugoslavia).

(2) **ENTITY.**—The term “entity” refers to the Federation of Bosnia and Herzegovina and the Republika Srpska.

(3) **CANTON.**—The term “canton” means the administrative units in Bosnia and Herzegovina.

(4) **DAYTON AGREEMENT.**—The term “Dayton Agreement” means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(5) **TRIBUNAL.**—The term “Tribunal” means the International Criminal Tribunal for the Former Yugoslavia.

(j) **ROLE OF HUMAN RIGHTS ORGANIZATIONS AND GOVERNMENT AGENCIES.**—In carrying out this subsection, the Secretary of State, the Administrator of the Agency for International Development, and the executive directors of the international financial institutions shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent publicly indicted war criminals from benefitting from any financial or technical assistance or grants or loans provided to or in any country, entity, or canton described in subsection (e).

#### EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES

SEC. 569. Section 105 of Public Law 104-164 (110 Stat. 1427) is amended by striking “1996 and 1997” and inserting “1999 and 2000”.

#### ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 570. (a) **VALUE OF ADDITIONS TO STOCKPILES.**—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by striking the word “and” after “1997”, and inserting in lieu thereof a comma and inserting before the period at the end the following: “and \$340,000,000 for fiscal year 1999”.

(b) **REQUIREMENTS RELATING TO THE REPUBLIC OF KOREA AND THAILAND.**—Section 514(b)(2)(B) of such Act (22 U.S.C. 2321h(b)(2)(B)) is amended by adding at the end the following: “Of the amount specified in subparagraph (A) for fiscal year 1999, not more than \$320,000,000 may be made available for stockpiles in the Republic of Korea and not more than \$20,000,000 may be made available for stockpiles in Thailand.”.

#### TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

SEC. 571. (a) None of the funds appropriated under this Act may be made available for the Government of Russian Federation, after 180 days from the date of enactment of this Act, unless the President determines and certifies in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has implemented no

statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

#### GREENHOUSE GAS EMISSIONS

SEC. 572. (a) Funds made available in this Act to support programs or activities promoting country participation in the Framework Convention on Climate Change or climate change activities in the energy, industry, urban, land use (primarily forestry, biodiversity and agriculture) sectors shall only be made available subject to the regular notification procedures of the Committees on Appropriations.

(b) The President shall provide a detailed account of all Federal agency obligations and expenditures for climate change programs and activities, domestic and international, for fiscal year 1998, planned obligations for such activities in fiscal year 1999, and any plan for programs thereafter related to the implementation or the furtherance of protocols pursuant to, or related to negotiations to amend the Framework Convention on Climate Change (FCCC) in conjunction with the President's submission of the Budget of the United States Government for Fiscal Year 2000: *Provided*, That such report shall include an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix.

#### WITHHOLDING ASSISTANCE TO COUNTRIES VIOLATING UNITED NATIONS SANCTIONS AGAINST LIBYA

SEC. 573. (a) **WITHHOLDING OF ASSISTANCE.**—Except as provided in subsection (b), whenever the President determines and certifies to Congress that the government of any country is violating any sanction against Libya imposed pursuant to United Nations Security Council Resolution 731, 748, or 883, then not less than 5 percent of the funds allocated for the country under section 653(a) of the Foreign Assistance Act of 1961 out of appropriations in this Act shall be withheld from obligation and expenditure for that country.

(b) **EXCEPTION.**—The requirement to withhold funds under subsection (a) shall not apply to funds appropriated in this Act for allocation under section 653(a) of the Foreign Assistance Act of 1961 for development assistance or for humanitarian assistance.

(c) **WAIVER.**—Funds may be provided for a country without regard to subsection (a) if the President determines that to do so is in the national security interest of the United States.

#### AID TO THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF CONGO

SEC. 574. **PROHIBITION ON ASSISTANCE TO THE DEMOCRATIC REPUBLIC OF CONGO.** (a) None of the funds appropriated or otherwise made available by this Act may be provided to the central Government of the Democratic Republic of Congo until such time as the President reports in writing to the Speaker of the House of Representatives, the Majority Leader of the Senate, the International Relations Committee of the House, the Foreign Relations Committee of the Senate, the Appropriations Committee of the Senate, and the Appropriations Committee of the House that the central Government of the Democratic Republic of Congo is—

(1) investigating and prosecuting those responsible for civilian massacres, serious human rights violations, or other atrocities committed in the Congo; and

(2) implementing a credible democratic transition program, which includes—

(A) the establishment of an independent electoral commission;

(B) the release of individuals detained or imprisoned for their political views;

(C) the maintenance of a conducive environment for the free exchange of political views, including the freedoms of association, speech, and press; and

(D) the conduct of free and fair national elections for both the legislative and executive branches of government.

(b) Notwithstanding the aforementioned restrictions, the President may provide electoral assistance to the central Government of the Democratic Republic of Congo for any fiscal year if the President certifies to the International Relations Committee of the House, the Foreign Relations Committee of the Senate, the Appropriations Committee of the Senate, and the Appropriations Committee of the House that the central Government of the Democratic Republic of Congo has taken steps to ensure that conditions in subsections (a)(2) (A), (B), and (C) have been met.

#### EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 575. Not to exceed 5 per centum of any appropriation other than for administrative expenses made available for fiscal year 1999 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 per centum by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

#### NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 576. (a) None of the funds appropriated under the heading “Assistance for the New Independent States of the Former Soviet Union” shall be made available for assistance for a Government of the New Independent States of the former Soviet Union—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading “Assistance for the New Independent States of the Former Soviet Union” shall be made available for assistance for a Government of the New Independent States of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in the Helsinki Final Act: *Provided*, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading “Assistance for the New Independent States of the Former Soviet Union” shall be made available for any state to enhance its military capability: *Provided*, That this restriction does not apply to demilitarization, demining or nonproliferation programs.



(d) Funds appropriated under the heading "Assistance for the New Independent States of the Former Soviet Union" shall be subject to the regular notification procedures of the Committees on Appropriations.

(e) Funds made available in this Act for assistance to the New Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(f) Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the New Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading "Assistance for the New Independent States of the Former Soviet Union" for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

(h) None of the funds appropriated for assistance for the New Independent States of the Former Soviet Union in this or any other Act shall be made available for Russia until the Secretary of State certifies that agreement has been reached with the Government of Russia that such assistance is not taxed nor is subject to taxation.

#### PUBLICATION OF CERTAIN NOTIFICATIONS

SEC. 577. Section 516(f) of the Foreign Assistance Act of 1961 is amended by adding the following new paragraph:

"(3) PUBLICATION.—Each notice required by this subsection shall be published in the Federal Register as soon as practicable after it has been provided to the congressional committees specified in section 634A(a). In any case in which the President concludes that such publication would be harmful to the national security of the United States, only a statement that a notice has been provided pursuant to this subsection to such committees shall be published."

#### REIMBURSEMENT REQUIREMENTS FOR FOREIGN STUDENTS

SEC. 578. LIMITED WAIVER OF REIMBURSEMENT REQUIREMENT FOR CERTAIN FOREIGN STUDENTS. Section 214(l)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(l)(1)), as added by section 625(a)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (110 Stat. 3009-699), is amended—

(1) in subparagraph (B), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) by striking "(l)(1)" and inserting "(l)(I)(A)"; and

(4) by adding at the end the following new subparagraph:

"(B) The Attorney General shall waive the application of subparagraph (A)(ii) for an

alien seeking to pursue a course of study in a public secondary school served by a local educational agency (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) if the agency determines and certifies to the Attorney General that such waiver will promote the educational interest of the agency and will not impose an undue financial burden on the agency."

#### NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL POLICIES

SEC. 579. (a) Notwithstanding any other provision of law, each annual report required by subsection 1701(a) of the International Financial Institutions Act, as amended (Public Law 95-118, 22 U.S.C. 262r), shall comprise—

(1) an assessment of the effectiveness of the major policies and operations of the international financial institutions;

(2) the major issues affecting United States participation;

(3) the major developments in the past year;

(4) the prospects for the coming year;

(5) the progress made and steps taken to achieve United States policy goals (including major policy goals embodied in current law) with respect to the international financial institutions; and

(6) such data and explanations concerning the effectiveness, operations, and policies of the international financial institutions, such recommendations concerning the international financial institutions, and such other data and material as the Chairman may deem appropriate.

(b) The requirements of Sections 1602(e), 1603(c), 1604(c), and 1701(b) of the International Financial Institutions Act, as amended (Public Law 95-118, 22 U.S.C. 262p-1, 262p-2, 262p-3 and 262(r)), Section 2018(c) of the International Narcotics Control Act of 1986, as amended (Public Law 99-570, 22 U.S.C. 2291 note), Section 407(c) of the Foreign Debt Reserving Act of 1989 (Public Law 101-240, 22 U.S.C. 2291 note), Section 14(c) of the Inter-American Development Bank Act, as amended (Public Law 86-147, 22 U.S.C. 283j-1(c)), and Section 1002 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (Public Law 102-511) (22 U.S.C. 2861l(b)) shall no longer apply to the contents of such annual reports.

#### LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 580. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of six months at a time and shall not apply beyond twelve months after enactment of this Act.

#### SENSE OF SENATE REGARDING UNITED STATES CITIZENS HELD IN PRISONS IN PERU

SEC. 581. It is the sense of the Senate that—

(1) as a signatory of the International Covenant on Civil and Political Rights, the Government of Peru is obligated to grant prisoners timely legal proceedings pursuant to Article 9 of the International Covenant on Civil and Political Rights, which requires

that "anyone arrested or detained on a criminal charge shall be brought promptly before a judge or other officer authorized by law to exercise judicial power and shall be entitled to trial within a reasonable time or release", and that "any one who is deprived of his liberty by arrest or detention shall be entitled to take proceedings before a court, in order that that court may decide without delay on the lawfulness of his detention and order his release if the detention is not lawful";

(2) the Government of Peru should respect the rights of prisoners to timely legal procedures, including the rights of all United States citizens held in prisons in that country; and

(3) the Government of Peru should take all necessary steps to ensure that any United States citizen charged with committing a crime in that country is accorded open and fair proceedings in a civilian court.

#### REPORT ON TRAINING PROVIDED TO FOREIGN MILITARY PERSONNEL IN THE UNITED STATES

SEC. 582. (a) Not later than January 31, 1999, the Inspector General of the Department of Defense and the Inspector General of the Department of State shall jointly submit to Congress a report describing the following:

(1) The training provided to foreign military personnel within the United States under any programs administered by the Department of Defense or the Department of State during fiscal year 1998.

(2) The training provided (including the training proposed to be provided) to such personnel within the United States under such programs during fiscal year 1999.

(b) For each case of training covered by the report under subsection (a), the report shall include—

(1) the location of the training;

(2) the duration of the training;

(3) the number of foreign military personnel provided the training by country, including the units of operation of such personnel;

(4) the cost of the training;

(5) the purpose and nature of the training; and

(6) an analysis of the manner and the extent to which the training meets or conflicts with the foreign policy objectives of the United States, including the furtherance of democracy and civilian control of the military and the promotion of human rights.

#### SENSE OF THE CONGRESS REGARDING INTERNATIONAL COOPERATION IN RECOVERING CHILDREN ABDUCTED IN THE UNITED STATES AND TAKEN TO OTHER COUNTRIES.

SEC. 583. (a) FINDINGS.—Congress finds that—

(1) many children in the United States have been abducted by family members who are foreign nationals and living in foreign countries;

(2) children who have been abducted by an estranged father are very rarely returned, through legal remedies, from countries that only recognize the custody rights of the father;

(3) there are at least 140 cases that need to be resolved in which children have been abducted by family members and taken to foreign countries;

(4) although the Convention on the Civil Aspects of International Child Abduction, done at The Hague on October 25, 1980, has made progress in aiding the return of abducted children, the Convention does not address the criminal aspects of child abduction, and there is a need to reach agreements regarding child abduction with countries that are not parties to the Convention; and

(5) decisions on awarding custody of children should be made in the children's best interest, and persons who violate laws of the

United States by abducting their children should not be rewarded by being granted custody of those children.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the United States Government should promote international cooperation in working to resolve those cases in which children in the United States are abducted by family members who are foreign nationals and taken to foreign countries, and in seeing that justice is served by holding accountable the abductors for violations of criminal law.

SUPPORT FOR PEACEFUL ECONOMIC AND  
POLITICAL TRANSITION IN INDONESIA

SEC. 584. (a) FINDINGS.—Congress makes the following findings:

(1) Indonesia is the World's 4th most populous nation, with a population in excess of 200,000,000 people.

(2) Since 1997, political, economic, and social turmoil in Indonesia has escalated.

(3) Indonesia is comprised of more than 13,000 islands located between the mainland of Southeast Asia and Australia. Indonesia occupies an important strategic location, straddling vital sea lanes for communication and commercial transportation including all or part of every major sea route between the Pacific Ocean and the Indian Ocean, more than 50 percent of all international shipping trade, and sea lines of communication used by the United States Pacific Command to support operations in the Persian Gulf.

(4) Indonesia has been an important ally of the United States, has made vital contributions to the maintenance of regional peace and stability through its leading role in the Association of South East Asian Nations (ASEAN) and the Asia Pacific Economic Cooperation forum (APEC), and has promoted United States economic, political, and security interests in Asia.

(5) In the 25 years before the onset of the recent financial crisis in Asia, the economy of Indonesia grew at an average rate of 7 percent per year.

(6) Since July 1997, the Indonesian rupiah has lost 70 percent of its value, and the Indonesian economy is now at a near standstill characterized by inflation, tight liquidity, and rising unemployment.

(7) Indonesia has also faced a severe drought and massive fires in the past year which have adversely affected its ability to produce sufficient food to meet its needs.

(8) As a consequence of this economic instability and the drought and fires, as many as 100,000,000 people in Indonesia may experience food shortages, malnutrition, and possible starvation as a result of being unable to purchase food. These conditions increase the potential for widespread social unrest in Indonesia.

(9) Following the abdication of Indonesia President Suharto in May 1998, Indonesia is in the midst of a profound political transition. The current president of Indonesia, B.J. Habibie, has called for new parliamentary elections in mid-1999, allowed the formation of new political parties, and pledged to resolve the role of the military in Indonesian society.

(10) The Government of Indonesia has taken several important steps toward political reform and support of democratic institutions, including support for freedom of expression, release of political prisoners, formation of political parties and trade unions, preparations for new elections, removal of ethnic designations from identity cards, and commitments to legal and civil service reforms which will increase economic and legal transparency and reduce corruption.

(11) To address the food shortages in Indonesia, the United States Government has made more than 230,000 tons of food available

to Indonesia this year through grants and so-called "soft" loans and has pledged support for additional wheat and food to meet emergency needs in Indonesia.

(12) United States national security interests are well-served by political stability in Indonesia and by friendly relations between the United States and Indonesia.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the decision of the Clinton Administration to make available at least 1,500,000 tons of wheat, wheat products, and rice for distribution to the most needy and vulnerable Indonesians is vital to the well-being of all Indonesians;

(2) the Clinton Administration should work with the World Food Program and nongovernmental organizations to design programs to make the most effective use of food donations in Indonesia and to expedite delivery of food assistance in order to reach those in Indonesia most in need;

(3) the Clinton Administration should adopt a more active approach in support of democratic institutions and processes in Indonesia and provide assistance for continued economic and political development in Indonesia, including—

(A) support for humanitarian programs aimed at preventing famine, meeting the needs of the Indonesian people, and inculcating social stability;

(B) leading a multinational effort (including the active participation of Japan, the nations of Europe, and other nations) to assist the programs referred to in subparagraph (A);

(C) calling on donor nations and humanitarian and food aid programs to make additional efforts to meet the needs of Indonesia and its people while laying the groundwork for a more open and participatory society in Indonesia;

(D) working with international financial institutions to recapitalize and reform the banking system, restructure corporate debt, and introduce economic and legal transparency in Indonesia;

(E) urging the Government of Indonesia to remove, to the maximum extent possible, barriers to trade and investment which impede economic recovery in Indonesia, including tariffs, quotas, export taxes, nontariff barriers, and prohibitions against foreign ownership and investment;

(F) urging the Government of Indonesia to—

(i) recognize the importance of the participation of all Indonesians, including ethnic and religious minorities, in the political and economic life of Indonesia;

(ii) take appropriate action to assure the support and protection of minority participation in the political, social, and economic life of Indonesia; and

(iii) release individuals detained or imprisoned for their political views;

(G) support for efforts by the Government of Indonesia to cast a wide social safety net in order to provide relief to the neediest Indonesians and to restore hope to those Indonesians who have been harmed by the economic crisis in Indonesia;

(H) support for efforts to build democracy in Indonesia in order to strengthen political participation and the development of legitimate democratic processes and the rule of law in Indonesia, including support for organizations, such as the Asia Foundation and the National Endowment for Democracy, which can provide technical assistance in developing and strengthening democratic political institutions and processes in Indonesia;

(I) calling on the Government of Indonesia to repeal all laws and regulations that discriminate on the basis of religion or ethnicity and to ensure that all new laws are in

keeping with international standards on human rights; and

(J) calling on the Government of Indonesia to establish, announce publicly, and adhere to a clear timeline for parliamentary elections in Indonesia.

(c) REPORT.—(1) Not later than 6 months after the date of enactment of this Act, the Secretary of State shall submit to Congress a report containing the following:

(A) A description and assessment of the actions taken by the Government of the United States to work with the Government of Indonesia to further the objectives referred to in subsection (b)(3).

(B) A description and assessment of the actions taken by the Government of Indonesia to further such objectives.

(C) An evaluation of the implications of the matters described and assessed under subparagraphs (A) and (B), and any other appropriate matters, for relations between the United States and Indonesia.

(2) The report under this subsection shall be submitted in unclassified form, but may include a classified annex.

CONDEMNING ETHNIC VIOLENCE IN INDONESIA IN  
MAY 1998

SEC. 585. (a) FINDINGS.—Congress makes the following findings:

(1) In May 1998, more than 1,200 people died in Indonesia as a result of riots, targeted attacks, and violence in Indonesia. According to numerous reports by human rights groups, United Nations officials, and the press, ethnic Chinese in Indonesia were specifically targeted in the riots for attacks which included acts of brutality, looting, arson, and rape.

(2) Credible reports indicate that, between May 13 and May 15, 1998, at least 150 Chinese women and girls, some as young as 9 years of age, were systematically raped as part of a campaign of racial violence in Indonesia, and 20 of these women subsequently died from injuries incurred during these rapes.

(3) Credible evidence indicates that these rapes were the result of a systematic and organized operation and may well have continued to the present time.

(4) Indonesia President Habibie has stated that he believes the riots and rapes to be "the most inhuman acts in the history of the nation", that they were "criminal" acts, and that "we will not accept it, we will not let it happen again."

(5) Indonesian human rights groups have asserted that the Indonesia Government failed to take action necessary to control the riots, violence, and rapes directed against ethnic Chinese in Indonesia and that some elements of the Indonesia military may have participated in such acts.

(6) The Executive Director of the United Nations Development Fund for Women has stated that the attacks were an "organized reaction to a crisis and culprits must be brought to trial" and that the systematic use of rape in the riots "is totally unacceptable . . . and even more disturbing than rape war crimes, as Indonesia was not at war with another country but caught in its own internal crisis".

(7) The Indonesia Government has established the Joint National Fact Finding Team to investigate the violence and allegations of gang rapes, but there are allegations that the investigation is moving slowly and that the Team lacks the authority necessary to carry out an appropriate investigation.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the mistreatment of ethnic Chinese in Indonesia and the criminal acts carried out against them during the May 1998 riots in Indonesia is deplorable and condemned;

(2) a complete, full, and fair investigation of such criminal acts should be completed by

the earliest possible date, and those identified as responsible for perpetrating such criminal acts should be brought to justice;

(3) the investigation by the Government of Indonesia, through its Military Honor Council, of those members of the armed forces of Indonesia suspected of possible involvement in the May 1998 riots, and of any member of the armed forces of Indonesia who may have participated in criminal acts against the people of Indonesia during the riots, is commended and should be supported;

(4) the Government of Indonesia should take action to assure—

(A) the full observance of the human rights of the ethnic Chinese in Indonesia and of all other minority groups in Indonesia;

(B) the implementation of appropriate measures to prevent ethnic-related violence and rapes in Indonesia and to safeguard the physical safety of the ethnic Chinese community in Indonesia;

(C) prompt follow through on its announced intention to provide damage loans to help rebuild businesses and homes for those who suffered losses in the riots; and

(D) the provision of just compensation for victims of the rape and violence that occurred during the May 1998 riots in Indonesia, including medical care;

(5) the Clinton Administration and the United Nations should provide support and assistance to the Government of Indonesia, and to nongovernmental organizations, in the investigations into the May 1998 riots in Indonesia in order to expedite such investigations; and

(6) Indonesia should ratify the United Nations Convention on Racial Discrimination, Torture, and Human Rights.

(c) **SUPPORT FOR INVESTIGATIONS.**—Of the amounts appropriated by this Act for Indonesia, the Secretary of State, after consultation with Congress, shall make available such funds as the Secretary considers appropriate in order to provide support and technical assistance to the Government of Indonesia, and to independent nongovernmental organizations, for purposes of conducting full, fair, and impartial investigations into the allegations surrounding the riots, violence, and rape of ethnic Chinese in Indonesia in May 1998.

(d) **REPORT.**—(1) Not later than 6 months after the date of enactment of this Act, the Secretary of State shall submit to Congress a report containing the following:

(A) An assessment of—

(i) whether or not there was a systematic and organized campaign of violence, including the use of rape, against the ethnic Chinese community in Indonesia during the May 1998 riots in Indonesia; and

(ii) the level and degree of participation, if any, of members of the Government or armed forces of Indonesia in the riots.

(B) An assessment of the adequacy of the actions taken by the Government of Indonesia to investigate the May 1998 riots in Indonesia, bring the perpetrators of the riots to justice, and ensure that similar riots do not recur.

(C) An evaluation of the implications of the matters assessed under subparagraphs (A) and (B) for relations between the United States and Indonesia.

(2) The report under this subsection shall be submitted in unclassified form, but may include a classified annex.

#### PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 586. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, training, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation or any similar organization.

#### TRAFFICKING IN WOMEN AND CHILDREN

SEC. 587. The Secretary of State, in consultation with the Attorney General and appropriate nongovernmental organizations, shall—

(1) develop curricula and conduct training for United States consular officers on the prevalence and risks of trafficking in women and children, and the rights of victims of such trafficking; and

(2) develop and disseminate to aliens seeking to obtain visas written materials describing the potential risks of trafficking, including—

(A) information as to the rights of victims in the United States of trafficking in women and children, including legal and civil rights in labor, marriage, and for crime victims under the Violence Against Women Act; and

(B) the names of support and advocacy organizations in the United States.

#### SENSE OF CONGRESS CONCERNING THE MURDER OF FOUR AMERICAN CHURCHWOMEN IN EL SALVADOR

SEC. 588. (a) **FINDINGS.**—Congress makes the following findings—

(1) the December 2, 1980 brutal assault and murder of four American churchwomen by members of the Salvadoran National Guard was covered up and never fully investigated;

(2) on July 22 and July 23, 1998, Salvadoran authorities granted three of the National Guardsmen convicted of the crimes early release from prison;

(3) the United Nations Truth Commission for El Salvador determined in 1993 that there was sufficient evidence that the Guardsmen were acting on orders from their superiors;

(4) in March 1998, four of the convicted Guardsmen confessed that they acted after receiving orders from their superiors;

(5) recently declassified documents from the State Department show that United States Government officials were aware of information suggesting the involvement of superior officers in the murders;

(6) United States officials granted permanent residence to a former Salvadoran military official involved in the cover-up of the murders, enabling him to remain in Florida; and

(7) despite the fact that the murders occurred over 17 years ago, the families of the four victims continue to seek the disclosure of information relevant to the murders.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) information relevant to the murders should be made public to the fullest extent possible;

(2) the Secretary of State and the Department of State are to be commended for fully releasing information regarding the murders to the victims' families and to the American public, in prompt response to congressional requests;

(3) the President should order all other Federal agencies and departments that possess relevant information to make every effort to declassify and release to the victims' families relevant information as expeditiously as possible;

(4) in making determinations concerning the declassification and release of relevant information, the Federal agencies and departments should presume in favor of releasing, rather than of withholding, such information; and

(5) the President should direct the Attorney General to review the circumstances under which individuals involved in either the murders or the cover-up of the murders obtained residence in the United States, and the Attorney General should submit a report to the Congress on the results of such review not later than January 1, 1999.

#### REPORT ON ALL UNITED STATES MILITARY TRAINING PROVIDED TO FOREIGN MILITARY PERSONNEL

SEC. 589. (a) The Secretary of Defense and the Secretary of State shall jointly provide to the Congress by January 31, 1999, a report on all overseas military training provided to foreign military personnel under programs administered by the Department of Defense and the Department of State during fiscal years 1998 and 1999, including those proposed for fiscal year 1999. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate.

(b) For purposes of this section a report to Congress shall be deemed to mean a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House.

#### SENSE OF CONGRESS REGARDING THE TRIAL IN THE NETHERLANDS OF THE SUSPECTS INDICTED IN THE BOMBING OF PAN AM FLIGHT 103

SEC. 590. (a) **FINDINGS.**—Congress makes the following findings:

(1) On December 21, 1988, 270 people, including 189 United States citizens, were killed in a terrorist bombing on Pan Am Flight 103 over Lockerbie, Scotland.

(2) Britain and the United States indicted 2 Libyan intelligence agents—Abdel Basset Al-Megrahi and Lamen Khalifa Fhimah—in 1991 and sought their extradition from Libya to the United States or the United Kingdom to stand trial for this heinous terrorist act.

(3) The United Nations Security Council called for the extradition of the suspects in Security Council Resolution 731 and imposed sanctions on Libya in Security Council Resolutions 748 and 883 because Libyan leader, Colonel Muammar Qaddafi, refused to transfer the suspects to either the United States or the United Kingdom to stand trial.

(4) The sanctions in Security Council Resolutions 748 and 883 include a worldwide ban on Libya's national airline, a ban on flights into and out of Libya by other nations' airlines, a prohibition on supplying arms, airplane parts, and certain oil equipment to Libya, and a freeze on Libyan government funds in other countries.

(5) Colonel Qaddafi has continually refused to extradite the suspects to either the United States or the United Kingdom and has insisted that he will only transfer the suspects to a third and neutral country to stand trial.

(6) On August 24, 1998, the United States and the United Kingdom proposed that Colonel Qaddafi transfer the suspects to the Netherlands, where they would stand trial before a Scottish court, under Scottish law, and with a panel of Scottish judges.

(7) The United States-United Kingdom proposal is consistent with those previously endorsed by the Organization of African Unity, the League of Arab States, the Non-Aligned Movement, and the Islamic Conference.

(8) The United Nations Security Council endorsed the United States-United Kingdom proposal on August 27, 1998, in United Nations Security Council Resolution 1192.

(9) The United States Government has stated that this proposal is nonnegotiable and has called on Colonel Qaddafi to respond

promptly, positively, and unequivocally to this proposal by ensuring the timely appearance of the two accused individuals in the Netherlands for trial before the Scottish court.

(10) The United States Government has called on Libya to ensure the production of evidence, including the presence of witnesses before the court, and to comply fully with all the requirements of the United Nations Security Council resolutions.

(11) Secretary of State Albright has said that the United States will urge a multilateral oil embargo against Libya in the United Nations Security Council if Colonel Muammar Qaddafi does not transfer the suspects to the Netherlands to stand trial.

(12) The United Nations Security Council will convene on October 30, 1998, to review sanctions imposed on Libya.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Colonel Qaddafi should promptly transfer the indicted suspects Abdel Basset Al-Megrahi and Lamén Khalifa Fhimah to the Netherlands to stand trial before the Scottish court;

(2) the United States Government should remain firm in its commitment not to negotiate with Colonel Qaddafi on any of the details of the proposal approved by the United Nations in United Nations Security Council Resolution 1192; and

(3) if Colonel Qaddafi does not transfer the indicted suspects Abdel Basset Al-Megrahi and Lamén Khalifa Fhimah to the Netherlands by October 29, 1998, the United States Permanent Representative to the United Nations should—

(A) introduce a resolution in the United Nations Security Council to impose a multilateral oil embargo against Libya;

(B) actively promote adoption of the resolution by the United Nations Security Council; and

(C) assure that a vote will occur in the United Nations Security Council on such a resolution.

#### DEVELOPMENT ASSISTANCE IN NIGERIA

SEC. 591. (a) FINDINGS.—Congress makes the following findings:

(1) The bilateral development assistance program in Nigeria has been insufficiently funded and staffed, and the United States has missed opportunities to promote democracy and good governance as a result.

(2) The recent political upheaval in Nigeria necessitates a new strategy for United States bilateral assistance program in that country that is focused on promoting a transition to democracy.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President, acting through the United States Agency for International Development, should—

(1) develop a new strategy for United States bilateral assistance for Nigeria that is focused on the development of civil society and the rule of law and that involves a broad cross-section of Nigerian society but does not provide for any direct assistance to the Government of Nigeria, other than humanitarian assistance, unless and until that country successfully completes a transition to civilian, democratic rule;

(2) increase the number of United States personnel at such Agency's office in Lagos, Nigeria, from within the current, overall staff resources of such Agency in order for such office to be sufficiently staffed to carry out paragraph (1); and

(3) consider the placement of such Agency's personnel elsewhere in Nigeria.

(c) REPORT.—Not later than 90 days after the date of enactment of this Act, the President, acting through the United States Agency for International Development, shall

submit to the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives a report on the strategy developed under subsection (b)(1).

#### COUNTERTERRORISM COOPERATION CERTIFICATION

SEC. 592. Section 40A of the Arms Export Control Act (22 U.S.C. 2781) is amended—

(1) in subsection (a), by striking "that the President" and all that follows and inserting "unless the President determines and certifies to Congress for purposes of that fiscal year that the government of the country is cooperating fully with the United States, or is taking adequate actions on its own, to help achieve United States antiterrorism objectives.";

(2) by redesignating subsection (b) as subsection (e);

(3) by inserting after subsection (a), as so amended, the following new subsections (b), (c), and (d):

"(b) REQUIREMENT FOR CONTINUING COOPERATION.—(1) Notwithstanding the submittal of a certification with respect to a country for purposes of a fiscal year under subsection (a), the prohibition in that subsection shall apply to the country for the remainder of that fiscal year if the President determines and certifies to Congress that the government of the country has not continued to cooperate fully with United States, or to take adequate actions on its own, to help achieve United States antiterrorism objectives.

"(2) A certification under paragraph (1) shall take effect on the date of its submittal to Congress.

"(c) SCHEDULE FOR CERTIFICATIONS.—(1) The President shall, to the maximum extent practicable, submit a certification with respect to a country for purposes of a fiscal year under subsection (a) not later than September 1 of the year in which that fiscal year begins.

"(2) The President may submit a certification with respect to a country under subsection (a) at any time after the date otherwise specified in paragraph (1) if the President determines that circumstances warrant the submittal of the certification at such later date.

"(d) CONSIDERATIONS FOR CERTIFICATIONS.—In making a determination with respect to the government of a country under subsection (a) or subsection (b), the President shall consider—

"(1) the government's record of—

"(A) apprehending, bringing to trial, convicting, and punishing terrorists in areas under its jurisdiction;

"(B) taking actions to dismantle terrorist organizations in areas under its jurisdiction and to cut off their sources of funds;

"(C) condemning terrorist actions and the groups that conduct and sponsor them;

"(D) refusing to bargain with or make concessions to terrorist organizations;

"(E) isolating and applying pressure on states that sponsor and support terrorism to force such states to terminate their support for terrorism;

"(F) assisting the United States in efforts to apprehend terrorists who have targeted United States nationals and interests;

"(G) sharing information and evidence with United States law enforcement agencies during the investigation of terrorist attacks against United States nationals and interests;

"(H) extraditing to the United States individuals in its custody who are suspected of participating in the planning, funding, or conduct of terrorist attacks against United States nationals and interests; and

"(I) sharing intelligence with the United States about terrorist activity, in general, and terrorist activity directed against United States nationals and interests, in particular; and

"(2) any other matters that the President considers appropriate."; and

(4) in subsection (e), as so redesignated, by striking "national interests" and inserting "national security interests".

#### EQUALITY FOR ISRAEL IN THE UNITED NATIONS

SEC. 593. (a) SHORT TITLE.—This section may be cited as the "Equality for Israel at the United Nations Act of 1998".

(b) EFFORT TO PROMOTE FULL EQUALITY AT THE UNITED NATIONS FOR ISRAEL.—

(1) CONGRESSIONAL STATEMENT.—It is the sense of the Congress that—

(A) the United States must help promote an end to the inequity experienced by Israel in the United Nations whereby Israel is the only longstanding member of the organization to be denied acceptance into any of the United Nations region blocs, which serve as the basis for participation in important activities of the United Nations, including rotating membership on the United Nations Security Council; and

(B) the United States Ambassador to the United Nations should take all steps necessary to ensure Israel's acceptance in the Western Europe and Others Group (WEOG) regional bloc, whose membership includes the non-European countries of Canada, Australia, and the United States.

(2) REPORTS TO CONGRESS.—Not later than 60 days after the date of the enactment of this legislation and on a semiannual basis thereafter, the Secretary of State shall submit to the appropriate congressional committees a report which includes the following information (in classified or unclassified form as appropriate)—

(A) actions taken by representatives of the United States, including the United States Ambassador to the United Nations, to encourage the nations of the Western Europe and Others Group (WEOG) to accept Israel into their regional bloc;

(B) efforts undertaken by the Secretary General of the United Nations to secure Israel's full and equal participation in that body;

(C) specific responses solicited and received by the Secretary of State from each of the nations of Western Europe and Others Group (WEOG) on their position concerning Israel's acceptance into their organization; and

(D) other measures being undertaken, and which will be undertaken, to ensure and promote Israel's full and equal participation in the United Nations.

#### SANCTIONS AGAINST SERBIA-MONTENEGRO

SEC. 594. (a) CONTINUATION OF EXECUTIVE BRANCH SANCTIONS.—The sanctions listed in subsection (b) shall remain in effect until January 1, 2000, unless the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations of the House of Representatives a certification described in subsection (c).

(b) APPLICABLE SANCTIONS.—

(1) The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to the government of Serbia-Montenegro.

(2) The Secretary of State should instruct the United States Ambassador to the Organization for Security and Cooperation in Europe (OSCE) to block any consensus to allow the participation of Serbia-Montenegro in

the OSCE or any organization affiliated with the OSCE.

(3) The Secretary of State should instruct the United States Representative to the United Nations to vote against any resolution in the United Nations Security Council to admit Serbia-Montenegro to the United Nations or any organization affiliated with the United Nations, to veto any resolution to allow Serbia-Montenegro to assume the United Nations' membership of the former Socialist Federal Republic of Yugoslavia, and to take action to prevent Serbia-Montenegro from assuming the seat formerly occupied by the Socialist Federal Republic of Yugoslavia.

(4) The Secretary of State should instruct the United States Permanent Representative on the Council of the North Atlantic Treaty Organization to oppose the extension of the Partnership for Peace program or any other organization affiliated with NATO to Serbia-Montenegro.

(5) The Secretary of State should instruct the United States Representatives to the Southeast European Cooperative Initiative (SECI) to oppose and to work to prevent the extension of SECI membership to Serbia-Montenegro.

(c) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) the representatives of the successor states to the Socialist Federal Republic of Yugoslavia have successfully negotiated the division of assets and liabilities and all other succession issues following the dissolution of the Socialist Federal Republic of Yugoslavia;

(2) the government of Serbia-Montenegro is fully complying with its obligations as a signatory to the General Framework Agreement for Peace in Bosnia and Herzegovina;

(3) the government of Serbia-Montenegro is fully cooperating with and providing unrestricted access to the International Criminal Tribunal for the former Yugoslavia, including surrendering persons indicted for war crimes who are within the jurisdiction of the territory of Serbia-Montenegro, and with the investigations concerning the commission of war crimes and crimes against humanity in Kosovo;

(4) the government of Serbia-Montenegro is implementing internal democratic reforms; and

(5) Serbian, Serbian-Montenegrin federal governmental officials, and representatives of the ethnic Albanian community in Kosovo have agreed on, signed, and begun implementation of a negotiated settlement on the future status of Kosovo.

(d) STATEMENT OF POLICY.—It is the sense of the Congress that the United States should not restore full diplomatic relations with Serbia-Montenegro until the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations in the House of Representatives the certification described in subsection (c).

(e) EXEMPTION OF MONTENEGRO.—The sanctions described in subsection (b)(1) should not apply to the government of Montenegro.

(f) DEFINITION.—The term "international financial institution" includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(g) WAIVER AUTHORITY.—

(1) The President may waive the application in whole or in part, of any sanction described in subsection (b) if the President certifies to the Congress that the President has

determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Kosovo that is acceptable to the parties.

(2) Such a waiver may only be effective upon certification by the President to Congress that the United States has transferred and will continue to transfer (subject to adequate protection of intelligence sources and methods) to the International Criminal Tribunal for the former Yugoslavia all information it has collected in support of an indictment and trial of President Slobodan Milosevic for war crimes, crimes against humanity, or genocide.

(3) In the event of a waiver, within seven days the President must report the basis upon which the waiver was made to the Select Committee on Intelligence and the Committee on Foreign Relations in the Senate, and the Permanent Select Committee on Intelligence and the Committee on International Relations in the House of Representatives.

#### FUNDING FOR THE COMPREHENSIVE NUCLEAR TEST BAN TREATY PREPARATORY COMMISSION

SEC. 595. Of the funds appropriated by this Act, or prior Acts making appropriations for foreign operations, export financing, and related programs, not less than \$28,900,000 shall be made available for expenses related to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided*, That such funds may be made available through the regular notification procedures of the Committee on Appropriations.

#### REPORT ON IRAQI DEVELOPMENT OF WEAPONS OF MASS DESTRUCTION

SEC. 596. (a) FINDINGS.—Congress finds that—

(1) Iraq is continuing efforts to mask the extent of its weapons of mass destruction and missile programs;

(2) proposals to relax the current international inspection regime would have potentially dangerous consequences for international security; and

(3) Iraq has demonstrated time and again that it cannot be trusted to abide by international norms or by its own agreements, and that the only way the international community can be assured of Iraqi compliance is by ongoing inspection.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the international agencies charged with inspections in Iraq—the International Atomic Energy Agency (IAEA) and the United Nations Special Commission (UNSCOM) should maintain vigorous inspections, including surprise inspections, within Iraq; and

(2) the United States should oppose any efforts to ease the inspections regimes on Iraq until there is clear, credible evidence that the Government of Iraq is no longer seeking to acquire weapons of mass destruction and the means of delivering them.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the President shall submit a report to Congress on the United States Government's assessment of Iraq's nuclear and other weapons of mass destruction programs and its efforts to move toward procurement of nuclear weapons and the means to deliver weapons of mass destruction. The report shall also—

(1) assess the United States view of the International Atomic Energy Agency's action team reports and other IAEA efforts to monitor the extent and nature of Iraq's nuclear program; and

(2) include the United States Government's opinion on the value of maintaining the ongoing inspection regime rather than replacing it with a passive monitoring system.

#### SENSE OF SENATE REGARDING IRAN

SEC. 597. (a) The Senate finds that—

(1) according to the Department of State, Iran continues to support international terrorism, providing training, financing, and weapons to such terrorist groups as Hizballah, Islamic Jihad and Hamas;

(2) Iran continues to oppose the Arab-Israeli peace process and refuses to recognize Israel's right to exist;

(3) Iran continues aggressively to seek weapons of mass destruction and the missiles to deliver them;

(4) it is long-standing United States policy to offer official government-to-government dialogue with the Iranian regime, such offers having been repeatedly rebuffed by Tehran;

(5) more than a year after the election of President Khatemi, Iranian foreign policy continues to threaten American security and that of our allies in the Middle East; and

(6) despite repeated offers and tentative steps toward rapprochement with Iran by the Clinton Administration, including a decision to waive sanctions under the Iran-Libya Sanctions Act and the President's veto of the Iran Missile Proliferation Sanctions Act, Iran has failed to reciprocate in a meaningful manner.

(b) Therefore it is the sense of the Senate that—

(1) the Administration should make no concessions to the government of Iran unless and until that government moderates its objectionable policies, including taking steps to end its support of international terrorism, opposition to the Middle East peace process, and the development and proliferation of weapons of mass destruction and their means of delivery; and

(2) there should be no change in United States policy toward Iran until there is credible and sustained evidence of a change in Iranian policies.

#### JOINT UNITED STATES-CANADA COMMISSION ON CATTLE, BEEF, AND DAIRY PRODUCTS

SEC. 598. (a) ESTABLISHMENT.—There is established a Joint United States-Canada Commission on Cattle, Beef, and Dairy Products to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the United States and Canada with respect to the production, processing, and sale of cattle, beef, and dairy products, with particular emphasis on—

(1) animal health requirements;

(2) transportation differences;

(3) the availability of feed grains;

(4) other market-distorting direct and indirect subsidies;

(5) the expansion of the Northwest Pilot Project;

(6) tariff rate quotas; and

(7) other factors that distort trade between the United States and Canada.

(b) COMPOSITION.—

(1) IN GENERAL.—The Commission shall be composed of—

(A) 3 members representing the United States, including—

(i) 1 member appointed by the Majority Leader of the Senate;

(ii) 1 member appointed by the Speaker of the House of Representatives; and

(iii) 1 member appointed by the Secretary of Agriculture;

(B) 3 members representing Canada, appointed by the Government of Canada; and

(C) nonvoting members appointed by the Commission to serve as advisers to the Commission, including university faculty, State veterinarians, trade experts, producers, and other members.

(2) APPOINTMENT.—Members of the Commission shall be appointed not later than 30 days after the date of enactment of this Act.

(c) REPORT.—Not later than 180 days after the first meeting of the Commission, the Commission shall submit a report to Congress and the Government of Canada that identifies, and recommends means of resolving, differences between the United States and Canada with respect to tariff rate quotas and the production, processing, and sale of cattle, beef, and dairy products.

SENSE OF THE SENATE CONCERNING THE OPERATION OF AGRICULTURAL COMMODITY FOREIGN ASSISTANCE PROGRAMS

SEC. 599. (a) It is the sense of the Senate that:

(1) The United States Department of Agriculture should use the GSM-102 credit guarantee program to provide 100 percent coverage, including shipping costs, in some markets where it may be temporarily necessary to encourage the export of United States agricultural products.

(2) The United States Department of Agriculture should increase the amount of GSM export credit available above the \$5,500,000,000 minimum required by the 1996 Farm Bill (as it did in the 1991/1992 period). In addition to other nations, extra allocations should be made in the following amounts to—

(A) Pakistan—an additional \$150,000,000;

(B) Algeria—an additional \$140,000,000;

(C) Bulgaria—an additional \$20,000,000; and

(D) Romania—an additional \$20,000,000.

(3) The United States Department of Agriculture should use the PL-480 food assistance programs to the fullest extent possible, including the allocation of assistance to Indonesia and other Asian nations facing economic hardship.

(4) Given the President's reaffirmation of a Jackson-Vanik waiver for Vietnam, the United States Department of Agriculture should consider Vietnam for PL-480 assistance and increased GSM.

FUNDING FOR THE CLAIBORNE PELL INSTITUTE FOR INTERNATIONAL RELATIONS AND PUBLIC POLICY

SEC. 599A. That of the funds made available by prior Foreign Operations Appropriations Acts, not to exceed \$750,000 shall be made available for the Claiborne Pell Institute for International Relations and Public Policy at Salve Regina University.

AID OFFICE OF SECURITY

SEC. 599B. (a) ESTABLISHMENT OF OFFICE.—There shall be established within the Office of the Administrator of the Agency for International Development, an Office of Security. Such Office of Security shall, notwithstanding any other provision of law, have the responsibility for the supervision, direction, and control of all security activities relating to the programs and operations of that Agency.

(b) TRANSFER AND ALLOCATION OF APPROPRIATIONS AND PERSONNEL.—There are transferred to the Office of Security all security functions exercised by the Office of Inspector General of the Agency for International Development exercised before the date of enactment of this Act. The Administrator shall transfer from the Office of the Inspector General of such Agency to the Office of Security established by subsection (a), the personnel (including the Senior Executive Service position designated for the Assistant Inspector General for Security), assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, and other funds held, used, available to, or to be made available in connection with such functions. Unexpended balances of appropriations, and other funds made available or to be made available in connection with such functions, shall be transferred to and merged with funds appropriated by this Act under

the heading "Operating Expenses of the Agency for International Development".

(c) TRANSFER OF EMPLOYEES.—Any employee in the career service who is transferred pursuant to this section shall be placed in a position in the Office of Security established by subsection (a) which is comparable to the position the employee held in the Office of the Inspector General of the Agency for International Development.

SENSE OF CONGRESS REGARDING BALLISTIC MISSILE DEVELOPMENT BY NORTH KOREA

SEC. 599C. (a) Congress makes the following findings:

(1) North Korea has been active in developing new generations of medium-range and intermediate-range ballistic missiles, including both the Nodong and Taepo Dong class missiles.

(2) North Korea is not an adherent to the Missile Technology Control Regime, actively cooperates with Iran and Pakistan in ballistic missile programs, and has declared its intention to continue to export ballistic missile technology.

(3) North Korea has shared technology involved in the Taepo Dong I missile program with Iran, which is concurrently developing the Shahab-3 intermediate-range ballistic missile.

(4) North Korea is developing the Taepo Dong II intermediate-range ballistic missile, which is expected to have sufficient range to put at risk United States territories, forces, and allies throughout the Asia-Pacific area.

(5) Multistage missiles like the Taepo Dong class missile can ultimately be extended to intercontinental range.

(6) The bipartisan Commission to Assess the Ballistic Missile Threat to the United States emphasized the need for the United States intelligence community and United States policy makers to review the methodology by which they assess foreign missile programs in order to guard against surprise developments with respect to such programs.

(b) It is the sense of Congress that—

(1) North Korea should be forcefully condemned for its August 31, 1998, firing of a Taepo Dong I intermediate-range ballistic missile over the sovereign territory of another country, specifically Japan, an event that demonstrated an advanced capability for employing multistage missiles, which are by nature capable of extended range, including intercontinental range;

(2) the United States should reassess its cooperative space launch programs with countries that continue to assist North Korea and Iran in their ballistic missile and cruise missile programs;

(3) any financial or technical assistance provided to North Korea should take into account the continuing conduct by that country of activities which destabilize the region, including the missile firing referred to in paragraph (1), continued submarine incursions into South Korea territorial waters, and violations of the demilitarized zone separating North Korea and South Korea;

(4) the recommendations of the Commission to Assess the Ballistic Missile Threat to the United States should be incorporated into the analytical processes of the United States intelligence community as soon as possible; and

(5) the United States should accelerate cooperative theater missile defense programs with Japan.

SENSE OF SENATE REGARDING THE DEVELOPMENT BY THE INTERNATIONAL TELECOMMUNICATION UNION OF WORLD STANDARDS FOR WIRELESS TELECOMMUNICATIONS SERVICES

SEC. 599D. (a) The Senate makes the following findings:

(1) The International Telecommunication Union, an agency of the United Nations, is

currently developing recommendations for world standards for the next generation of wireless telecommunications services based on the concept of a "family" of standards.

(2) On June 30, 1998, the Department of State submitted four proposed standards to the ITU for consideration in the development of those recommendations.

(3) Adoption of an open and inclusive set of multiple standards, including all four submitted by the Department of State, would enable existing systems to operate with the next generation of wireless standards.

(4) It is critical to the interest of the United States that existing systems be given this ability.

(b) It is the sense of the Senate that the Federal Communications Commission and appropriate executive branch agencies take all appropriate actions to promote development, by the ITU, of recommendations for digital wireless telecommunications services based on a family of open and inclusive multiple standards, including all four standards submitted by the Department of State, so as to allow operation of existing systems with the next generation of wireless standards.

Titles I through V of this Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1999".

TITLE VI—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FISCAL YEAR 1998 SUPPLEMENTAL

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

GLOBAL ENVIRONMENT FACILITY

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), \$47,500,000 to remain available until expended for contributions previously due.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

FUND FOR SPECIAL OPERATIONS

For payment to the Inter-American Bank by the Secretary of the Treasury, for the United States share of the increase in resources for the Fund for Special Operations, \$21,152,000, to remain available until expended for contributions previously due.

CONTRIBUTION TO THE ENTERPRISE FOR AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund, \$50,000,000 to remain available until expended for contributions previously due.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, \$187,000,000, to remain available until expended, for contributions previously due.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, \$5,000,000 to remain available until expended, for contributions previously due.

LOANS TO INTERNATIONAL MONETARY FUND NEW ARRANGEMENTS TO BORROW

For loans to the International Monetary Fund (Fund) under the New Arrangements to Borrow, the dollar equivalent of 2,462,000,000

Special Drawing Rights, to remain available until expended; in addition, up to the dollar equivalent of 4,250,000,000 Special Drawing Rights previously appropriated by the Act of November 30, 1983 (Public Law 98-181), and the Act of October 23, 1962 (Public Law 87-872), for the General Arrangements to Borrow, may also be used for the New Arrangements to Borrow.

#### UNITED STATES QUOTA

For an increase in the United States quota in the International Monetary Fund, the dollar equivalent of 10,622,500,000 Special Drawing Rights, to remain available until expended.

#### CONDITIONS AND REPORTS

SEC. 601. CONDITIONS FOR THE USE OF QUOTA RESOURCES. (a) None of the funds appropriated in this Act under the heading "United States Quota, International Monetary Fund" may be obligated, transferred or made available to the International Monetary Fund until 30 days after the Secretary of the Treasury certifies that the major shareholders of the International Monetary Fund, including the United States, Japan, the Federal Republic of Germany, France, Italy, the United Kingdom, and Canada have publicly agreed to, and will seek to implement in the Fund, policies that provide for conditions in stand-by agreements or other arrangements regarding the use of Fund resources, requiring that the recipient country—

(1) liberalize restrictions on trade in goods and services and on investment, at a minimum consistent with the terms of all international trade obligations and agreements; and

(2) eliminate the practice or policy of government directed lending on non-commercial terms or provision of market distorting subsidies to favored industries, enterprises, parties, or institutions.

(b) Subsequent to the certification provided in subsection (a), in conjunction with the annual submission of the President's budget, the Secretary of the Treasury shall report to the appropriate committees on the implementation and enforcement of the provisions in subsection (a).

(c) The United States shall exert its influence with the Fund and its members to encourage the Fund to include as part of its conditions of stand-by agreements or other uses of the Fund's resources that the recipient country take action to remove discriminatory treatment between foreign and domestic creditors in its debt resolution proceedings. The Secretary of the Treasury shall report back to the Congress six months after the enactment of this Act, and annually thereafter, on the progress in achieving this requirement.

(d) BANKRUPTCY LAW REFORM.—The United States shall exert its influence with the International Monetary Fund and its members to encourage the International Monetary Fund to include as part of its conditions of assistance that the recipient country take action to adopt, as soon as possible, modern insolvency laws that—

(1) emphasize reorganization of business enterprises rather than liquidation whenever possible;

(2) provide for a high degree of flexibility of action, in place of rigid requirements of form or substance, together with appropriate review and approval by a court and a majority of the creditors involved;

(3) include provisions to ensure that assets gathered in insolvency proceedings are accounted for and put back into the market stream as quickly as possible in order to maximize the number of businesses that can be kept productive and increase the number of jobs that can be saved; and

(4) promote international cooperation in insolvency matters by including—

(A) provisions set forth in the Model Law on Cross-Border Insolvency approved by the United Nations Commission on International Trade Law, including removal of discriminatory treatment between foreign and domestic creditors in debt resolution proceedings; and

(B) other provisions appropriate for promoting such cooperation.

The Secretary of the Treasury shall report back to Congress six months after the enactment of this Act, and annually, thereafter, on the progress in achieving this requirement.

(e) Nothing in this section shall be construed to create any private right of action with respect to the enforcement of its terms.

SEC. 602. TRANSPARENCY AND OVERSIGHT. (a) Not later than 30 days after enactment of this Act, the Secretary of the Treasury shall certify to the appropriate committees that the Board of Executive Directors of the International Monetary Fund has agreed to provide timely access by the Comptroller General to information and documents relating to the Fund's operations, program and policy reviews and decisions regarding stand-by agreements and other uses of the Fund's resources.

(b) The Secretary of the Treasury shall direct, and the U.S. Executive Director to the International Monetary Fund shall agree to—

(1) provide any documents or information available to the Director that are requested by the Comptroller General;

(2) request from the Fund any documents or material requested by the Comptroller General; and

(3) use all necessary means to ensure all possible access by the Comptroller General to the staff and operations of the Fund for the purposes of conducting financial and program audits.

(c) The Secretary of the Treasury, in consultation with the Comptroller General and the U.S. Executive Director of the Fund, shall develop and implement a plan to obtain timely public access to information and documents relating to the Fund's operations, programs and policy reviews and decisions regarding stand-by agreements and other uses of the Fund's resources.

(d) No later than October 1, 1998 and, not later than March 1 of each year thereafter, the Secretary of the Treasury shall submit a report to the appropriate committees on the status of timely publication of Letters of Intent and Article IV consultation documents and the availability of information referred to in (c).

SEC. 603. ADVISORY COMMISSION. (a) The President shall establish an International Financial Institution Advisory Commission (hereafter "Commission").

(b) The Commission shall include at least five former United States Secretaries of the Treasury.

(c) Within 180 days, the Commission shall report to the appropriate committees on the future role and responsibilities, if any, of the International Monetary Fund and the merit, costs and related implications of consolidation of the organization, management, and activities of the International Monetary Fund, the International Bank for Reconstruction and Development and the World Trade Organization.

SEC. 604. BRETTON WOODS CONFERENCE. Not later than 180 days after the Commission reports to the appropriate committees, the President shall call for a conference of representatives of the governments of the member countries of the International Monetary Fund, the International Bank for Recon-

struction and Development and the World Trade Organization to consider the structure, management and activities of the institutions, their possible merger and their capacity to contribute to exchange rate stability and economic growth and to respond effectively to financial crises.

SEC. 605. REPORTS. (a) Following the extension of a stand-by agreement or other uses of the resources by the International Monetary Fund, the Secretary of the Treasury, in consultation with the U.S. Executive Director of the Fund, shall submit a report to the appropriate committees providing the following information—

(1) the borrower's rules and regulations dealing with capitalization ratios, reserves, deposit insurance system and initiatives to improve transparency of information on the financial institutions and banks which may benefit from the use of the Fund's resources;

(2) the burden shared by private sector investors and creditors, including commercial banks in the Group of Seven Nations, in the losses which have prompted the use of the Fund's resources;

(3) the Fund's strategy, plan and timetable for completing the borrower's pay back of the Fund's resources including a date by which the borrower will be free from all international institutional debt obligation; and

(4) the status of efforts to upgrade the borrower's national standards to meet the Basle Committee's Core Principles for Effective Banking Supervision.

(b) Following the extension of a stand-by agreement or other use of the Fund's resources, the Secretary of the Treasury shall report to the appropriate committees in conjunction with the annual submission of the President's budget, an account—

(1) of outcomes related to the requirements of section 5010; and

(2) of the direct and indirect institutional recipients of such resources: *Provided*, That this account shall include the institutions or banks indirectly supported by the Fund through resources made available by the borrower's Central Bank.

(c) Not later than 30 days after the enactment of this Act, the Secretary shall submit a report to the appropriate committees of Congress providing the information requested in paragraphs (a) and (b) for the countries of South Korea, Indonesia, Thailand and the Philippines.

SEC. 606. CERTIFICATIONS. (a) The Secretary of the Treasury shall certify to the appropriate committees that the following conditions have been met—

(1) No International Monetary Fund resources have resulted in support to the semiconductor, steel, automobile, shipbuilding, or textile and apparel industries in any form;

(2) The Fund has not guaranteed nor underwritten the private loans of semiconductor, steel, automobile, shipbuilding, or textile and apparel manufacturers; and

(3) Officials from the Fund and the Department of the Treasury have monitored the implementation of the provisions contained in stabilization programs in effect after July 1, 1997, and all of the conditions have either been met, or the recipient government has committed itself to fulfill all of these conditions according to an explicit timetable for completion; which timetable has been provided to and approved by the Fund and the Department of the Treasury.

(b) Such certifications shall be made 14 days prior to the disbursement of any Fund resources to the borrower.

(c) The Secretary of the Treasury shall instruct the United States Executive Director of the International Monetary Fund to use the voice and vote of the Executive Director to oppose disbursement of further funds if such certification is not given.



(d) Such certifications shall continue to be made on an annual basis as long as Fund contributions continue to be outstanding to the borrower country.

(e) After consultation with the Secretary of the Treasury and the United States Trade Representative, the Secretary of Commerce shall establish a team composed of employees of the Department of Commerce—

(1) to collect data on import volumes and prices, and industry statistics in—

- (A) the steel industry;
- (B) the semiconductor industry;
- (C) the automobile industry;
- (D) the textile and apparel industry; and
- (E) shipbuilding;

(2) to monitor the effect of the Asian economic crisis on these industries;

(3) to collect accounting data from Asian producers; and

(4) to work to prevent import surges in these industries or to assist United States industries affected by such surges in their efforts to protect themselves under the trade laws of the United States.

(f) The Secretary of Commerce shall provide administrative support, including office space, for the team.

(g) The Secretary of the Treasury and the United States Trade Representative may assign such employees to the team as may be necessary to assist the team in carrying out its functions under subsection (e).

SEC. 607. LIMITATIONS ON INTERNATIONAL MONETARY FUND LOANS TO INDONESIA. The Secretary of the Treasury shall instruct the United States Executive Director of the International Monetary Fund to use the voice and vote of the United States to prevent the extension of International Monetary Fund resources—

(1) directly to or for the direct benefit of the President of Indonesia or any member of the President's family; and

(2) the Secretary of the Treasury shall instruct the Executive Director to use the United States voice and vote to oppose further disbursement of funds to Indonesia on any International Monetary Fund terms or conditions less stringent than those imposed on the Republic of Korea and the Philippines Republic.

SEC. 608. ADVOCACY OF POLICIES TO ENHANCE THE GENERAL EFFECTIVENESS OF THE INTERNATIONAL MONETARY FUND. The Secretary of the Treasury shall instruct the United States Executive Director of the International Monetary Fund to use aggressively the voice and vote of the United States to vigorously promote policies to encourage the opening of markets for agricultural commodities and products by requiring recipient countries to make efforts to reduce trade barriers.

SEC. 609. ADVISORY COMMITTEE ON IMF POLICY. (a) IN GENERAL.—The Secretary of the Treasury shall establish an International Monetary Fund Advisory Committee (in this section referred to as "Advisory Committee").

(b) MEMBERSHIP.—The Advisory Committee shall consist of 8 members appointed by the Secretary of the Treasury, after appropriate consultations with the relevant organizations, as follows—

(1) at least 2 members shall be representatives from organized labor;

(2) at least 2 members shall be representatives from nongovernmental environmental organizations;

(3) at least 2 members shall be representatives from nongovernmental human rights or social justice organizations.

(c) DUTIES.—Not less frequently than every six months, the Advisory Committee shall meet with the Secretary of the Treasury to review and provide advice on the extent to which individual International Monetary

Fund country programs meet requisite policy goals, particularly those set forth as follows—

(1) in this Act;

(2) in Article I(2) of the Fund's Articles of Agreements, to promote and maintain high levels of employment and real income and the development of the productive resources of all members;

(3) in section 1621 of Public Law 103-306, the Frank/Sanders amendment on encouragement of fair labor practices;

(4) in section 1620 of Public Law 95-118, as amended, on respect for, and full protection of, the territorial rights, traditional economies, cultural integrity, traditional knowledge, and human rights of indigenous peoples;

(5) in section 1502 of Public Law 95-118, as amended, on military spending by recipient countries and military involvement in the economies of recipient countries;

(6) in section 701 of Public Law 95-118, on assistance to countries that engage in a pattern of gross violations of internationally recognized human rights; and

(7) in section 1307 of Public Law 95-118, on assessments of the environmental impact and alternatives to proposed actions by the International Monetary Fund which would have a significant effect on the human environment.

(d) INAPPLICABILITY OF TERMINATION PROVISIONS OF THE FEDERAL ADVISORY COMMITTEE ACT.—Section 14(a)(2) of the Federal Advisory Committee Act shall not apply to the Advisory Committee.

SEC. 610. BORROWER COUNTRIES. The Secretary of the Treasury shall consult with the office of the United States Trade Representative regarding prospective International Monetary Fund borrower countries, including their status with respect to title III of the Trade Act of 1974 or any executive order issued pursuant to the aforementioned title, and shall take these consultations into account before instructing the United States Executive Director of the International Monetary Fund on the United States position regarding loans or credits to such borrowing countries.

SEC. 611. DEFINITIONS. For the purposes of this title, "appropriate committees" includes the Appropriations Committee, the Committee on Foreign Relations, Committee on Finance and the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Banking and Financial Services in the House of Representatives.

SEC. 612. AVAILABILITY OF FUNDS. Funds made available in Title VI shall be available upon date of enactment of this Act.

SEC. 613. PROGRESS REPORTS TO CONGRESS ON UNITED STATES INITIATIVES TO UPDATE THE ARCHITECTURE OF THE INTERNATIONAL MONETARY SYSTEM. Not later than July 15, 1999 and July 15, 2000, the Secretary of the Treasury shall report to the Chairmen and Ranking Members of the Senate Committees on Appropriations, Foreign Relations, and Banking, Housing, and Urban Affairs and House Committees on Appropriations and Banking and Financial Services on the progress of efforts to reform the architecture of the international monetary system. The reports shall include a discussion of the substance of the United States position in consultations with other governments and the degree of progress in achieving international acceptance and implementation of such position with respect to the following issues:

(1) Adapting the mission and capabilities of the International Monetary Fund to take better account of the increased importance of cross-border capital flows in the world economy and improving the coordination of its responsibilities and activities with those

of the International Bank for Reconstruction and Development.

(2) Advancing measures to prevent, and improve the management of, international financial crises, including by—

(A) integrating aspects of national bankruptcy principles into the management of international financial crises where feasible; and

(B) changing investor expectations about official rescues, thereby reducing moral hazard and systemic risk in international financial markets—

in order to help minimize the adjustment costs that the resolution of financial crises may impose on the real economy, in the form of disrupted patterns of trade, employment, and progress in living standards, and reduce the frequency and magnitude of claims on United States taxpayer resources.

(3) Improving international economic policy cooperation, including among the Group of Seven countries, to take better account of the importance of cross-border capital flows in the determination of exchange rate relationships.

(4) Improving international cooperation in the supervision and regulation of financial institutions and markets.

(5) Strengthening the financial sector in emerging economies, including by improving the coordination of financial sector liberalization with the establishment of strong public and private institutions in the areas of prudential supervision, accounting and disclosure conventions, bankruptcy laws and administrative procedures, and the collection and dissemination of economic and financial statistics, including the maturity structure of foreign indebtedness.

(6) Advocating that implementation of European Economic and Monetary Union and the advent of the European Currency Unit, or euro, proceed in a manner that is consistent with strong global economic growth and stability in world financial markets.

SEC. 614. SENSE OF CONGRESS REGARDING THE IMF RESPONSE TO THE ECONOMIC CRISIS IN RUSSIA. (a) Congress finds that—

(1) Russia is currently facing a severe economic crisis that threatens President Boris Yeltsin's ability to maintain power;

(2) the Russian Communist Party may well soon be a part of the government of the Russian Republic and may be given real influence over Russian economic policies;

(3) the International Monetary Fund has continued to provide funding to Russia despite Russia's refusal to implement reforms tied to the funding;

(4) the Russian economic crisis follows a similar crisis in Asia;

(5) the International Monetary Fund imposed strict requirements on the Republic of Korea and other democratic and free market nations in Asia;

(6) the International Monetary Fund has not imposed the same requirements on Russia; and

(7) Russia has not made the same commitment to free market economic principles as the Republic of Korea, and other Asian nations receiving assistance from the International Monetary Fund.

(b) It is the sense of Congress that the International Monetary Fund should not provide funding to a Russian government whose economic policies are significantly affected by the Russian Communist Party, or under significantly less free market conditions than those imposed on the Republic of Korea and other democratic, free market nations in Southeast Asia.

This title may be cited as the "International Monetary Fund Appropriations Act of 1998".

## TITLE VII—ASSISTANCE FOR SUB-SAHARAN AFRICA

SEC. 701. AFRICA FOOD SECURITY INITIATIVE. In providing development assistance under the Africa Food Security Initiative, or any comparable program, the Administrator of the United States Agency for International Development—

(1) shall emphasize programs and projects that improve the food security of infants, young children, school-age children, women, and food-insecure households, or that improve the agricultural productivity, incomes, and marketing of the rural poor in Africa;

(2) shall solicit and take into consideration the views and needs of intended beneficiaries and program participants during the selection, planning, implementation, and evaluation phases of projects; and

(3) shall ensure that programs are designed and conducted in cooperation with African and United States organizations and institutions, such as private and voluntary organizations, cooperatives, land-grant and other appropriate universities, and local producer-owned cooperative marketing and buying associations, that have expertise in addressing the needs of the poor, small-scale farmers, entrepreneurs, and rural workers, including women.

SEC. 702. MICROENTERPRISE ASSISTANCE. In providing microenterprise assistance for sub-Saharan Africa, the Administrator of the United States Agency for International Development shall, to the extent practicable, use credit and microcredit assistance to improve the capacity and efficiency of agriculture production in sub-Saharan Africa of small-scale farmers and small rural entrepreneurs. In providing assistance, the Administrator should take into consideration the needs of women, and should use the applied research and technical assistance capabilities of United States land-grant universities.

SEC. 703. SUPPORT FOR PRODUCER-OWNED COOPERATIVE MARKETING ASSOCIATIONS. The Administrator of the United States Agency for International Development is authorized to utilize relevant foreign assistance programs and initiatives for sub-Saharan Africa to support private producer-owned cooperative marketing associations in sub-Saharan Africa, including rural business associations that are owned and controlled by farmer shareholders in order to strengthen the capacity of farmers in sub-Saharan Africa to participate in national and international private markets and to encourage the efforts of farmers in sub-Saharan Africa to increase their productivity and income through improved access to farm supplies, seasonal credit, and technical expertise.

SEC. 704. AGRICULTURAL AND RURAL DEVELOPMENT ACTIVITIES OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION. (a) IN GENERAL.—The Overseas Private Investment Corporation shall exercise its authority under law to undertake an initiative to support private agricultural and rural development in sub-Saharan Africa, including issuing loans, guarantees, and insurance, to support rural development in sub-Saharan Africa, particularly to support intermediary organizations that—

(1) directly serve the needs of small-scale farmers, small rural entrepreneurs, and rural producer-owned cooperative purchasing and marketing associations;

(2) have a clear track record of support for sound business management practices; and

(3) have demonstrated experience with participatory development methods.

(b) USE OF CERTAIN FUNDS.—The Overseas Private Investment Corporation shall utilize existing equity funds, loan, and insurance

funds, to the extent feasible and in accordance with existing contractual obligations, to support agriculture and rural development in sub-Saharan Africa.

SEC. 705. AGRICULTURAL RESEARCH AND EXTENSION ACTIVITIES. (a) DEVELOPMENT OF PLAN.—The Administrator of the United States Agency for International Development, in consultation with the Secretary of Agriculture and appropriate Department of Agriculture agencies, especially the Cooperative State, Research, Education, and Extension Service (CSREES), shall develop a comprehensive plan to coordinate and build on the research and extension activities of United States land-grant universities, international agricultural research centers, and national agricultural research and extension centers in sub-Saharan Africa.

(b) ADDITIONAL REQUIREMENTS.—The plan described in subsection (a) shall be designed to ensure that—

(1) research and extension activities respond to the needs of small-scale farmers while developing the potential and skills of researchers, extension agents, farmers, and agribusiness persons in sub-Saharan Africa; and

(2) sustainable agricultural methods of farming is considered together with new technologies in increasing agricultural productivity in sub-Saharan Africa.

## TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The text of the bill (H.R. 4104), the Treasury and General Government Appropriations Act, 1999, as passed by the Senate on September 3, 1998, is as follows:

*Resolved*, That the bill from the House of Representatives (H.R. 4104) entitled "An Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes," do pass with the following amendment:

Strike out all after the enacting clause and insert: *That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, namely:*

TITLE I—DEPARTMENT OF THE TREASURY  
DEPARTMENTAL OFFICES

## SALARIES AND EXPENSES

*For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,900,000 for official travel expenses; not to exceed \$150,000 for official reception and representation expenses; not to exceed \$258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; \$120,671,000: Provided, That the Office of Foreign Assets Control shall be funded at no less than \$6,560,800: Provided further, That of the amount provided, funds are authorized to be used for year 2000 conversion costs pending the availability of funding through emergency appropriation, pursuant to "Funds Appropriated to the*

*President, Information Technology Systems and Related Expenses".*

AUTOMATION ENHANCEMENT  
(INCLUDING TRANSFER OF FUNDS)

*For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, \$28,990,000, of which \$8,000,000 shall be available to the United States Customs Service for the Customs Modernization project, of which \$5,400,000 shall be available to the Departmental Offices for the International Trade Data System, and of which \$15,590,000 shall be available to the Departmental Offices to modernize its information technology infrastructure, for modernizing Treasury's human resource systems, and for business solution software: Provided, That these funds shall remain available until expended: Provided further, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations, Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems: Provided further, That none of the funds appropriated for the Customs Modernization project may be transferred to the United States Customs Service or obligated until the Treasury's Chief Information Officer, through the Treasury Investment Review Board, concurs on the plan and milestone schedule for the deployment of the system: Provided further, That none of the funds made available for the Customs Modernization project may be obligated for any major system investments prior to the development of an architecture which is compliant with the Treasury Information Systems Architecture Framework (TISAF) and the General Accounting Office certifies to Congress the establishment of measures to enforce compliance with the architecture: Provided further, That of the amount provided, \$8,000,000 shall not be available for obligation until September 30, 1999.*

OFFICE OF INSPECTOR GENERAL  
SALARIES AND EXPENSES

*For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed \$2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed \$100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; \$30,678,000.*

## TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

*For the repair, alteration, and improvement of the Treasury Building and Annex, \$27,000,000, to remain available until expended: Provided, That none of the funds provided shall be available for obligation until September 30, 1999.*

## FINANCIAL CRIMES ENFORCEMENT NETWORK

## SALARIES AND EXPENSES

*For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement; \$23,670,000: Provided, That funds appropriated in this account may be used to procure personal services contracts: Provided further, That of the funds provided, \$600,000 shall be provided for the Gateway program.*

VIOLENT CRIME REDUCTION PROGRAMS  
(INCLUDING TRANSFER OF FUNDS)

*For activities authorized by Public Law 103-322, to remain available until expended, which*